

**Important: if you are in any doubt about the contents of this Prospectus you should consult your financial adviser.**

The authorised corporate director of the Company, Waystone Management (UK) Limited ("the ACD"), is the person responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the ACD (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the FCA Rules to be included in it. It accepts responsibility accordingly.

**PROSPECTUS**  
**OF**  
**HERIOT INVESTMENT FUNDS**

(an investment company with variable capital incorporated with limited liability and registered by therefore  
Financial Conduct Authority under registered number IC000967 and product reference number 594323)

This document constitutes the Prospectus for Heriot Investment Funds ("the **Company**") and has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook ("the **FCA Rules**"). This prospectus is dated, and valid as at 30 June 2026.

A copy of this Prospectus has been sent to each of the Financial Conduct Authority and The Bank of New York Mellon (International) Limited.

**IMPORTANT INFORMATION:**

**Heriot Global Smaller Companies Fund is in the process of being terminated and is therefore no longer available for investment.**

## **Important Information**

No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus or any Key Investor Information document or other marketing literature prepared by or on behalf of the ACD and, if given or made, such information or representations must not be relied on as having been made by the Company or the ACD. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction. Potential investors should inform themselves as to the legal requirements of applying for Shares and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The Shares which are described in this Prospectus have not been and will not be registered under the United States Securities Act of 1933, the United States Investment Company Act of 1940 or the securities laws of any of the states of the United States of America and may not be directly or indirectly offered or sold in the United States of America to or for the account or benefit of any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the United States Securities Act of 1933, the United States Investment Company Act of 1940 and similar requirements of such state securities laws.

Neither the Company nor the Funds have been or will be registered under the United States Investment Company Act of 1940, as amended.

Investment in Shares by or on behalf of US Persons is not permitted.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Company's Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them). This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by the ACD.

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any fundamental or significant change in the matters stated herein or other change notifiable in accordance with the FCA Rules or any materially significant new matter arising which ought to be stated herein this Prospectus will be revised.

Investors should check with the ACD that this is the latest version and that there have been no revisions or updates. Issued by Waystone Management (UK) Limited, authorised and regulated by the Financial Conduct Authority.

**Important: If you have any questions about the contents of this Prospectus you should consult your professional adviser.**

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**Directory**

<p><b>The Company and ACD</b></p>	<p><b>Registered Office:</b>          Heriot Investment Funds          Waystone Management (UK) Limited          3rd Floor Central Square          29 Wellington Street          Leeds          United Kingdom          LS1 4DL</p>
<p><b>Investment Adviser and Sponsor</b></p>	<p>Dundas Partners LLP          41 Northumberland Street          Edinburgh          Midlothian          EH3 6JA</p>
<p><b>Depository</b></p>	<p>The Bank of New York Mellon (International) Limited          160 Queen Victoria Street          London          EC4V 4LA</p>
<p><b>Global Sub-Custodians</b></p>	<p>The Bank of New York Mellon SA/NV          Brussels Head Office          Boulevard Anspachlaan 1          B-1000 Brussels          Belgium; and</p> <p>The Bank of New York Mellon          240 Greenwich Street          New York          NY 10286          USA</p>
<p><b>Registrar and Administrator</b></p>	<p>Waystone Management (UK) Limited          3rd Floor Central Square          29 Wellington Street          Leeds          United Kingdom          LS1 4DL</p> <p>(Postal address for all correspondence)          PO Box 389          Darlington          DL1 9UF</p>
<p><b>Fund Accountant</b></p>	<p>The Bank of New York Mellon (International) Limited          160 Queen Victoria Street          London          EC4V 4LA</p>
<p><b>Auditor</b></p>	<p>KPMG LLP          St Vincent Plaza</p>

	319 St Vincent Street Glasgow G2 5AS
<b>Legal Advisers</b>	CMS Cameron McKenna Nabarro Olswang LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EN

1. **DEFINITIONS**

In this Prospectus each of the words and expressions in the left-hand column of the table set out below has the meaning set opposite it in the right-hand column of that table:

<b>ACD</b>	the authorised corporate director of the Company, being Waystone Management (UK) Limited;
<b>ACD Agreement</b>	the Agreement dated 1 March 2013 by which the ACD was appointed by the Company to act as such;
<b>ACD's Group</b>	the group of companies consisting of the ultimate holding company of the ACD and each of the subsidiaries of that holding company;
<b>Act</b>	the Financial Services and Markets Act 2000 as amended or replaced from time to time;
<b>Baseline Exclusion Criteria</b>	a set of exclusionary criteria applied by the Investment Adviser that seek to address the majority of its clients' requests for exclusions;
<b>Business Day</b>	Monday to Friday (except for a bank holiday in England and Wales and other days at the ACD's discretion) being a day on which the London Stock Exchange is open for trading and other days at ACD's discretion;
<b>Class</b>	a class of Share relating to a Fund;
<b>COBS</b>	The Conduct of Business Sourcebook published by the FCA as part of their Handbook of rules made under the Act;
<b>COLL</b>	the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of their Handbook of rules made under the Act, as amended, supplemented or replaced from time to time, which shall, for the avoidance of doubt, not include guidance or evidential provisions contained in the said Sourcebook;
<b>Company</b>	Heriot Investment Funds;
<b>Comparator</b>	a factor against which investors may compare a Funds' performance
<b>Conversion</b>	The conversion of Shares in one class in a Fund to Shares of another class in the same Fund and <b>convert</b> shall be construed accordingly;
<b>Dealing Day</b>	in relation to the Heriot Global Fund and the Heriot Global Smaller Companies Fund <sup>1</sup> , any Business Day and other days at ACD's discretion;
<b>Depository</b>	the depository of the Company, being The Bank of New York Mellon (International) Limited;
<b>EEA State</b>	a State which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May 1992, as it has effect for the time being;
<b>Efficient Portfolio Management</b>	techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:  (a) they are economically appropriate in that they are realised in a cost effective way;

<sup>1</sup> Please note that this Fund is no longer available for investment.

	<p>(b) they are entered into for one or more of the following specific aims:</p> <ul style="list-style-type: none"> <li>(i) reduction of risk;</li> <li>(ii) reduction of cost; and</li> <li>(iii) generation of additional capital or income for the Company with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in the FCA Rules;</li> </ul>
<b>ESG</b>	a set of standards setting out environmental, social, and governance (ESG) criteria
<b>EU Benchmark Regulation</b>	Regulation (EU) 2016/1011 issued by the European Parliament and the Council of 8 June 2016 on indices used as benchmarks in financial instrument and financial contracts or to measure the performance of investment funds, as implemented in the United Kingdom;
<b>FATCA</b>	the Foreign Account Tax Compliance Act
<b>FCA</b>	the Financial Conduct Authority or any relevant successor body;
<b>FCA Rules</b>	the FCA's handbook of rules and guidance, as amended, supplemented or replaced from time to time;
<b>Fund</b>	a sub-fund of the Company (being a part of the Scheme Property which is pooled separately from each other part) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with its own investment objective;
<b>Fund Accountant</b>	The Bank of New York Mellon (International) Limited or such other entity as is appointed to provide fund accounting services;
<b>Global Sub-Custodians</b>	The Bank of New York Mellon SA/NV and The Bank of New York Mellon;
<b>Holding company</b>	the meaning ascribed thereto in the Companies Act 2006;
<b>Instrument of Incorporation</b>	the Instrument of Incorporation of the Company as amended from time to time;
<b>Investment Adviser</b>	Dundas Partners LLP, the investment adviser appointed by the ACD;
<b>IOSCO</b>	the International Organisation of Securities Commissions;
<b>ISA</b>	Individual Savings Account;
<b>Net Asset Value or "NAV"</b>	the value of the Scheme Property of the Company (or of any Fund or Class of Shares as the context requires) less the liabilities of the Company (or of the Fund or Class of Shares concerned) as calculated in accordance with the FCA Rules and the Instrument of Incorporation (the relevant provisions of which are set out below under "Determination of the Net Asset Value" in Appendix C);
<b>OECD</b>	Organisation for Economic Co-operation and Development;
<b>OEIC Regulations</b>	the Open-Ended Investment Companies Regulations 2001 as amended or replaced from time to time;
<b>Ongoing Charges Figure</b>	the total payments deducted from the Scheme Property over a specific period where such deductions are required or permitted by the FCA Rules;

<b>Prospectus</b>	a prospectus of the Company prepared pursuant to the requirements of the FCA Rules, including a prospectus consisting of an existing version of a prospectus as extended by a supplement issued by the Company;
<b>Register</b>	the register of Shareholders kept on behalf of the Company;
<b>Registrar</b>	the registrar of the Company, being Waystone Management (UK) Limited;
<b>Regular Savings Plan</b>	the savings scheme provided by the ACD to facilitate regular investment;
<b>Regulations</b>	the OEIC Regulations and the FCA Rules (including COLL);
<b>Scheme Property</b>	the property of the Company subject to the collective investment scheme constituted by the Company or (as the context may require) the part of that property attributable to a particular Fund;
<b>Share</b>	a share in the Company (including both a larger and a smaller denomination share);
<b>Shareholder</b>	the holder of a Share;
<b>Switch</b>	exchange of Shares for either Shares of another Class relating to the same Fund or for Shares relating to another Fund or (as the context may require) the act of so exchanging;
<b>UCITS</b>	undertakings for collective investment in transferable securities that are established in an EEA State in accordance with the UCITS Directive or in the United Kingdom as a UK UCITS, within the meaning of section 236A of the Act;
<b>The International Tax Compliance Regulations</b>	2015 (SI 878/2015) implementing obligations arising under the following agreements and arrangements: the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information signed by the government of the UK on 29th October 2014 in relation to agreements with various jurisdictions to improve international tax compliance based on the standard for automatic exchange of financial account information developed by the Organisation for Economic Co-Operation and Development (sometimes known as "the CRS"); and the agreement reached between the government of the UK and the government of the USA to improve tax compliance (sometimes known as "the intergovernmental Agreement" or "the FATCA Agreement");
<b>UCITS Directive</b>	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC), as amended;
<b>UK UCITS</b>	In accordance with sections 236A and 237 of the Act, subject to (4) below, an undertaking which may consist of several sub-funds and: <ul style="list-style-type: none"> <li>(i) is an AUT, an ACS or an ICVC: <ul style="list-style-type: none"> <li>(a) with the sole object of collective investment of capital raised from the public in transferable securities or other liquid financial assets specified in paragraph (2), and operating on the principle of risk-spreading;</li> <li>(b) with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (see also paragraph (3)); and</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>(c) which (in accordance with the rules in COLL 4.2) has identified itself as a UCITS in its prospectus and has been authorised accordingly by the FCA.</li> <li>(ii) The transferable securities or other liquid financial assets specified for the purposes of paragraph (1)(a) are those which are permitted by COLL 5.2.</li> <li>(iii) For the purposes of paragraph (i)(b), action taken by the undertaking to ensure that the price of its units on an investment exchange do not significantly vary from their net asset value is to be regarded as equivalent to such repurchase or redemption.</li> <li>(iv) The following undertakings are not a UK UCITS: <ul style="list-style-type: none"> <li>(a) a collective investment undertaking of the closed-ended type;</li> <li>(b) a collective investment undertaking which raises capital without promoting the sale of its units to the public in the UK;</li> <li>(c) an open-ended investment company, or other collective investment undertaking, the units of which, under the fund rules or the instruments of incorporation of the investment company, may be sold only to the public in countries or territories outside the UK.</li> </ul> </li> </ul>
<b>US</b>	the United States of America (including the States and District of Columbia), its territories, possessions and all other areas subject to its jurisdiction.
<b>US Person</b>	<p>unless otherwise determined by the ACD:</p> <ul style="list-style-type: none"> <li>(i) a citizen or resident of the US;</li> <li>(ii) a partnership, limited liability company, corporation or other entity organised in or under the laws of the US or any State or any entity taxed as such or required to file a tax return as such under the US Federal income tax laws;</li> <li>(iii) any estate or trust the executor, administrator, or trustee of which is a US Person as defined above, in the cases of a trust of which any professional fiduciary acting as a trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect to trust assets and no beneficiary of the trust (and no settler if the trust is revocable) is a US Person and no income or beneficiaries of which are subject to US Federal income tax;</li> <li>(iv) any agency or branch of a foreign entity located in the US;</li> <li>(v) certain accounts held by a dealer or other fiduciary where the person exercising discretion over the account is a US Person;</li> <li>(vi) any partnership, corporation or other entity if (a) organised or incorporated under the laws of any foreign jurisdiction and (b) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933;</li> </ul>

	<p>(vii) any employee benefit plan unless such employee benefit plan is established and administered in accordance with the laws of a country other than the US and the customary practices and documentation of such country and is maintained primarily for the benefit of persons substantially all of whom are non-resident aliens with respect to the US; and</p> <p>(viii) any other person or entity whose ownership of Shares or solicitation for ownership of Shares the ACD through its officers or directors shall determine may violate any securities laws of the US or any state or other jurisdiction thereof.</p> <p>Except that a US Person shall not include corporations, partnerships or other entities which are organised or incorporated under the laws of any non-US Person as described above, unless such corporation, partnership or other entity was formed by such US Person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended; and</p>
<b>Valuation Point</b>	<p>the point, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company or a Fund (as the case may be) for the purposes of determining the price at which Shares of a Class may be issued, cancelled, sold or redeemed.</p>

## 2. **The Company and its Structure**

Heriot Investment Funds is an investment company with variable capital incorporated in Great Britain, and having its head office in England, under registered number IC000967 and authorised and regulated by the Financial Services Authority with effect from 26 February 2013, and subsequently the Financial Conduct Authority ("FCA").

The head office of the Company is at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. The address for service on the Company of notices or other documents required or authorised to be served on, or given to, it (including any such notice or document to be given to the Company pursuant to the Instrument of Incorporation) is 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. Any such notice or document must be given to or served on the Company in hard copy by delivering it or by sending it by post to that address, unless otherwise specified in this Prospectus in relation to any specific notice or document.

The ACD is the sole director of the Company.

The Company is a "UCITS scheme" (as defined for the purposes of the FCA Rules).

The Company is structured as an umbrella so that the Scheme Property of the Company may be divided among one or more Funds. The assets of each Fund will generally be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. New Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. If a new Fund is introduced, a new Prospectus will be prepared to set out the required information in relation to that Fund.

The Funds which have been established at the date of this Prospectus are:

Heriot Global Fund

Heriot Global Smaller Companies Fund<sup>2</sup>

Each Fund would, if it were a separate investment company with variable capital, be a UCITS scheme.

Each Fund represents a segregated portfolio of assets and accordingly the assets of a fund belong exclusively to that fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claimed against, any other person or body including any other fund and shall not be available for any such purpose.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund. Within the Funds, charges will be allocated between Classes in accordance with the terms of issue of Shares of those Classes. Any expenses specific to a Class will be allocated to that Class. Any assets, liabilities, expenses, costs or charges not attributable to a particular Class within a Fund or to a particular Fund (as the case may be) may be allocated by the ACD in a manner which is fair to the Shareholders generally but they will normally be allocated to all Classes within a Fund or all Funds (as the case may be) pro rata to their Net Asset Values.

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<sup>2</sup> Please note that this Fund is no longer available for investment.

The base currency of the Company is Sterling, but a Class of Shares in respect of any Fund may be designated in Sterling or any currency other than Sterling.

The Shares have no par value and, therefore, the share capital of the Company will at all times equal the sum of the Net Asset Values of each of the Funds. The minimum share capital of the Company will be £10,000 and the maximum share capital will be £100,000,000,000.

Shareholders are not liable for the debts of the Company.

### 3. **Management and Administration**

#### 3.1 **Authorised Corporate Director**

The ACD is Waystone Management (UK) Limited, a private limited company incorporated in England and Wales on 7 January 1999 with registered number 03692681. The head office and registered office of the ACD are at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. As at the date of this Prospectus, the amount of the ACD's authorised share capital is £1,941,686 of ordinary £1 shares of which £1,941,686 is allotted and fully paid up.

The executive directors of the ACD are as follows:

A M Berry

R E Wheeler

K Midl

V Karalekas

The non-executive directors of the ACD are as follows:

T K Madigan

S White

E Tracey

The ACD is authorised and regulated by the Financial Conduct Authority ("FCA").

The ACD is responsible for managing and administering the Company's affairs in compliance with the FCA Rules, including performing certain functions relating to the register (as further explained in paragraph 3.6 below).

The appointment of the ACD has been made on the terms of the ACD Agreement between the Company and the ACD. The ACD Agreement provides that the appointment of the ACD may be terminated (a) after a thirty month initial period by the Company giving six months' written notice to the ACD or (b) after a thirty month initial period by the ACD giving six months' written notice to the Company, although in certain circumstances the ACD Agreement may be terminated by the Depositary or the Company forthwith by notice in writing to the ACD or by the ACD forthwith by notice in writing to the Company. Termination cannot take effect until the FCA has approved the change of director.

The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily incurred in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement. To the extent permitted by the OEIC Regulations and the FCA Rules, the ACD Agreement provides indemnities to the ACD other than for matters arising by reason of its negligence, default, breach of duty or breach of trust in the performance of its duties and obligations.

The ACD may delegate investment management, administration and marketing functions in accordance with the FCA Rules. It has therefore delegated to the Investment Adviser the function of managing and acting as the Investment Adviser for the investment and reinvestment of the assets of each Fund (as further explained below). It has also delegated to The Bank of New York Mellon (International) Limited to provide fund accounting services for the Company (as explained below). Notwithstanding such delegation the ACD remains responsible for any functions so delegated.

The ACD is under no obligation to account to the Company, the Depositary or the Shareholders for any profit it makes on the issue or re-issue of Shares or cancellation of Shares which it has redeemed. The fees to which the ACD is entitled are set out in Part 8 below.

Appendix E sets out the details of the capacity, if any, in which the ACD acts in relation to any other regulated collective investment schemes and the name of such schemes.

### **3.2 The ACD's Remuneration Policy**

The FCA's remuneration requirements have been implemented primarily to ensure that relevant members of staff are not incentivised, by way of their remuneration package, to take excessive risks when managing funds. The ACD has approved and adopted a remuneration policy (the "Remuneration Policy") which explains how the ACD complies with such requirements and which staff are covered. Details of the up-to-date Remuneration Policy, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration and benefits can be accessed from the following website: [www.waystone.com](http://www.waystone.com). A paper copy of these details is also available free of charge from the ACD upon request.

### **3.3 Depositary**

The Bank of New York Mellon (International) Limited is the Depositary of the Company and, for the avoidance of doubt, acts as the global custodian to the Company.

The Depositary is a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered office address is at 160 Queen Victoria Street, London, EC4V 4LA.

The principal business activity of the Depositary is the provision of custodial, banking and related financial services. The Depositary is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

#### **3.3.1 Duties of the Depositary**

The Depositary is responsible for the safekeeping of the Scheme Property, monitoring the cash flows of the Company, and must ensure that certain processes carried out by the ACD are performed in accordance with the applicable rules and the constitutive documents of the Company.

### 3.3.2 **Terms of Appointment**

The ACD is required to enter into a written contract with the Depositary to evidence its appointment. The Depositary was appointed under an agreement dated 29 February 2024 (the "Depositary Agreement"), pursuant to which the ACD and the Depositary agree to carry out various functions in order to comply with, and facilitate compliance with, the requirements of the Regulations.

Details of the Depositary's remuneration are under "Fees and Expenses in Part 8 below.

### 3.3.3 **Delegation of Safekeeping Functions**

The Depositary acts as global custodian and may delegate safekeeping to one or more Global Sub-Custodians (such delegation may include the powers of sub-delegation).

The Depositary has delegated safekeeping of the assets of the Company to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon (the "Global Sub-Custodians").

The Global Sub-Custodians may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-delegates ("Sub-Custodians"). A list of the Sub-Custodians is given in Appendix G. Investors should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of sub-custodians is updated only at each Prospectus review.

## 3.4 **Investment Adviser**

Dundas Partners LLP is the Investment Adviser of the Company, providing investment management to the ACD. The registered office of Dundas Partners LLP is 41 Northumberland Street, Edinburgh, Midlothian, EH3 6JA. Its Head Office (and its correspondence address) is 41 Northumberland Street, Edinburgh, Midlothian EH3 6JA. Its principal business activity is investment management. The Investment Adviser is authorised and regulated by the Financial Conduct Authority ("FCA"), with FCA Register Number 587649.

The Investment Adviser was appointed by an Investment Management Agreement dated 18 February 2013 (as amended, supplemented, replaced or restated from time to time) between the ACD and the Investment Adviser. The Investment Management Agreement may be terminated with six months' notice however, in certain circumstances (such as where such termination is in the interests of the Shareholders) it may be terminated with immediate effect.

The Investment Adviser has responsibility for and full discretion in making all investment decisions in relation to each Fund subject to and in accordance with the investment objectives and policies of the Funds as varied from time to time, the provisions of the Instrument of Incorporation, the FCA Rules and any directions or instructions given from time to time by the ACD.

No commission is payable to the Investment Adviser for any deal done or which could be done on behalf of the Company. Instead, the fees payable to the Investment Adviser will be

calculated in accordance with a scale of charges agreed from time to time between the Investment Adviser and the ACD. The Investment Adviser does not receive any remuneration/fee for its role as sponsor of the Company. The Investment Adviser will only receive a fee in respect of the investment management service.

The Investment Adviser is responsible for the costs of any third party research purchased by it in connection with its provision of investment management services to the ACD.

### 3.5 **Sponsor**

The ACD has delegated the marketing function to Dundas Partners LLP (whose details are described above).

### 3.6 **Registrar**

The ACD acts as registrar and provides administration services to the Company. Fees payable in relation to these registration services are detailed in paragraph 8.1 below.

The registered office of the Registrar is 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

The register is kept and maintained at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

#### 3.6.1 **The Register of Shareholders**

The Register of Shareholders will be maintained by the Registrar at the address of its office as noted above and may be inspected at that address or the principal place of business of the ACD during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

The plan register, where applicable (being a record of persons who subscribe for Shares through Individual Savings Accounts (ISAs)) may be inspected at the office of the Registrar by any Shareholder or any Shareholder's duly authorised agent.

### 3.7 **Fund Accountant**

The ACD has appointed The Bank of New York Mellon (International) Limited to provide fund accounting services to the Company.

The Fund Accountant is a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered and head office of the Fund Accountant is at 160 Queen Victoria Street, London EC4V 4LA. The Fund Accountant is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### 3.8 **Auditors**

The Auditors of the Company are KPMG LLP, St Vincent Plaza, 319 St Vincent Street, Glasgow, G2 5AS.

### 3.9 **Global Sub-Custodians**

The Depositary has delegated the custody of the assets of the Funds to The Bank of New York Mellon SA/NV and The Bank of New York Mellon who will act as Global Sub-Custodians. The arrangements prohibit the Global Sub-Custodians from releasing documents evidencing title to such assets into the possession of a third party without the consent of the Depositary.

### 3.10 **Conflicts of Duty or Interest**

#### General

The Depositary, the ACD and the Investment Adviser (each of which is a “Service Provider”) or any associate of them may (subject to the FCA Rules) hold money on deposit from, lend money to, or engage in stock lending transactions in relation to, the Company, so long as the services concerned are provided on arm’s length terms (as set out in the FCA Rules) and in the case of holding money on deposit or lending money the Service Provider is an eligible institution or approved bank.

The Service Providers or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company provided the applicable provisions of the FCA Rules apply and are observed.

Subject to compliance with COLL, where relevant, the Service Providers may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested.

The Service Providers or any associate of any of them will not be liable to account to the Company or any other person, including the holders of Shares, for any profit or benefit made or derived from or in connection with:

- their acting as agent for the Company in the sale or purchase of property to or from the Funds;
- their part in any transaction or the supply of services permitted by the FCA Rules; or
- their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

#### ACD

The ACD, the Investment Adviser and other companies within the ACD’s and/or the Investment Adviser’s group may, from time to time, act as investment managers or adviser to other funds or sub-funds which follow similar investment objectives to those of the Funds. It is therefore possible that the ACD and/or Investment Adviser may in the course of their business have potential conflicts of interest with the Company or particular Funds or that a conflict exists between the Company and other funds managed by the ACD.

The ACD and the Investment Adviser will take all appropriate steps to identify and prevent or manage such conflicts and each of the ACD and the Investment Adviser will have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to their obligations to act in the best interests of the Company so far as practicable, having regard to their respective obligations to other clients, when undertaking any investment where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the ACD and the Investment Adviser will ensure that the Company and other collective investment schemes managed by them are fairly treated.

The ACD acknowledges that there may be some occasions where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its Shareholders will be prevented. Should any such situations arise the ACD will, as a last resort if the conflict(s) cannot be avoided disclose these to Shareholders in an appropriate format.

The ACD's conflicts of interest policy is available for inspection at the office of the ACD. The Investment Adviser's conflicts of interest policy is available on request from the Investment Adviser.

#### Depositary

For the purposes of this section, the following definitions shall apply:

"BNY Affiliate" means any entity in which The Bank of New York Mellon Corporation (a Delaware corporation with registered office at 240 Greenwich St, New York, New York 10286, U.S.A) controls (directly or indirectly) an interest of no less than 30% in the voting stock or interests in such entity.

"Link" means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

"Group Link" means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU, as implemented or given direct effect in the UK, or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002, as it forms part of the law of the UK by virtue of the EU Withdrawal Act 2018, as amended, modified and reinstated from time to time, and any succeeding UK law or regulation which becomes enforceable by law from time to time.

Company, ACD and Shareholders

The ACD may delegate certain administrative functions to an entity within the same corporate group as the Depositary.

At present the ACD delegates certain administrative functions to The Bank of New York Mellon (International) Limited.

The following conflicts of interests may arise between the Depositary, the Company and the ACD:

A Group Link where the ACD has delegated certain administrative functions, including but not limited to Fund Accounting, to The Bank of New York Mellon (International) Limited or any BNY Mellon Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary and the ACD will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

If a Link exists between the Depositary and any investors in the Company, the Depositary shall take all reasonable steps to avoid conflicts of interests arising from such Link and ensure that its functions comply with Article 23 of the UCITS V Regulations as applicable.

#### Delegation

The following conflicts of interests may arise as a result of the delegation arrangements relating to safekeeping outlined above:

A Group Link where the Depositary has delegated, or where any of the Global Sub-Custodians has sub-delegated, the safekeeping of the Scheme Property to a BNY Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

The Depositary may, from time to time, act as the depositary of other open-ended investment companies with variable capital and as trustee or custodian of other collective investment schemes.

Up-to-date information stated above with regards to the Depositary will be made available to unitholders on request.

#### Depositary Conflicts of Interest

The Depositary or any BNY Affiliates may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the ACD and the Company. Conflicts of interest may also arise between the Depositary's different clients.

As a global financial services provider, one of the Depositary's fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Depositary is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients.

The Depositary is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

The Depositary maintains an EMEA Conflicts of Interest Policy (the “Conflicts Policy”). The Conflicts Policy (in conjunction with associated policies):

- (a) identifies the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients;
- (b) specifies the procedures or measures which should be followed or adopted by the Depositary in order to prevent or manage and report those conflicts of interest;
- (c) sets out effective procedures to prevent or control the exchange of information between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
- (d) includes procedures to ensure the separate supervision of persons whose principal functions involve carrying out activities with or for clients and whose interests may conflict, or who otherwise represent different interests that may conflict, including with the interests of the Depositary;
- (e) includes procedures to remove any direct link between the remuneration of individuals principally engaged in one activity and the remuneration of, or revenues generated by, different individuals principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
- (f) specifies measures to prevent or limit any person from exercising inappropriate influence over the way in which an individual carries out investment or ancillary services or activities; and
- (g) sets out measures to prevent or control the simultaneous or sequential involvement of an individual in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

The Conflicts Policy clarifies that disclosure of conflicts of interest to clients is a measure of last resort to be used by the Depositary to address its regulatory obligations only where the organisational and administrative arrangements established by the Depositary (and any BNY Affiliates where applicable) to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of clients will be prevented.

The Depositary must assess and review the Conflicts Policy at least once per year and take all appropriate measures to address any deficiencies.

The Depositary shall make available to its competent authorities, on request, all information which it has obtained while performing its services and which may be required by the competent authorities of the Company.

#### 4. **Investment Objectives and Policies of the Funds**

Investment of the assets of each Fund must be in accordance with the investment objective and policy of the relevant Fund and must comply with the investment restrictions and requirements set out in the FCA Rules. Details of the investment objectives and policies are set out in Appendix D in respect of each Fund and the eligible securities and derivatives markets through which the Funds may invest are set out in Appendix A. A summary of the general investment and borrowing powers is set out in Appendix B.

It is not at present intended that the Company will have an interest in any immovable property (e.g. its office premises) or tangible movable property (e.g. office equipment).

## 5. **Shares and Classes**

More than one Class of Share may be issued in respect of each Fund.

Appendix D contains a description of the Classes currently available. Further new Share Classes may also be established by the ACD from time to time in accordance with the Instrument of Incorporation, subject to compliance with the FCA Rules. If a new Class of Share is introduced, a new Prospectus will be prepared to set out the required information in relation to that class. A Regular Savings Plan is available on certain Classes of Shares in certain Funds. Details are set out in Appendix D. Further information on how to invest through the Regular Savings Plan is available from the ACD.

Where a Fund has different Classes, each Class may attract different charges and expenses and so monies may be deducted from Classes in unequal proportions. In these circumstances the proportionate interests of the Classes within a Fund will be adjusted in accordance with the terms of issue of Shares of those Classes. Also, each Class may have its own investment minima or other features, at the discretion of the ACD. Any such different charges or features are set out above and in Appendix D in relation to each of the Funds.

An accumulation Share is one in respect of which income is credited periodically to capital within the relevant Fund.

UK income tax must normally be deducted from interest distributions paid in respect of an income Share in a Fund which is treated as a bond fund for UK tax purposes. Likewise, UK income tax must normally be deducted from interest distributions credited to capital in respect of an accumulation Share. However, as noted in the UK Taxation section (below), certain categories of Shareholders are entitled to receive such interest distributions without deduction of UK income tax.

Holders of income Shares of a Fund are entitled to be paid the income of that Fund which is attributed to such Shares on the relevant annual allocation dates. Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically added to (and retained as part of) the capital assets of the relevant Fund on the relevant annual allocation dates.

It is not at present possible to have fractions of a Share. Accordingly, the rights attached to Shares of each Class are expressed in two denominations - smaller denomination and larger denomination. Each smaller denomination share represents one thousandth of a larger denomination share.

Shareholders are entitled (subject to certain restrictions) to convert all or part of their Shares of one Class for Shares of another Class in respect of the same Fund or to Switch all or part of their Shares in relation to one Fund for Shares in relation to a different Fund. Details of this Conversion and Switching facilities and the restrictions are set out below under "Conversion and Switching" in Part 7 below.

## 6. Pricing of Shares

The price of each Share of any Class will be calculated by reference to the proportion attributable to a Share of that Class of the Net Asset Value of the Fund to which it relates by:

- (a) taking the proportion attributable to the Shares of the Class concerned of the Net Asset Value of the relevant Fund as at the relevant Valuation Point of that Fund;
- (b) dividing the result by the number of Shares of the relevant Class in issue immediately before the Valuation Point concerned;
- (c) increasing or decreasing the result by any dilution adjustment determined by the ACD (as described in Section 7.)

The Net Asset Value of each Fund will be calculated as at the Valuation Point (being 10:30 p.m.) on each Dealing Day in respect of that Fund. The ACD may at any time carry out an additional valuation if the ACD considers it desirable to do so.

In the event that, for any reason, the ACD is unable to calculate the Net Asset Value of any Fund at the normal time, the prices effective from that time will be calculated using the earliest available valuation thereafter.

Information regarding the calculation of the Net Asset Value of each Fund and the apportionment of that Net Asset Value between each Class of Shares in relation to that Fund is set out below in Appendix C.

Shares of each Class in relation to each Fund will be sold and redeemed on the basis of forward prices, being prices calculated by reference to the next Valuation Point after the sale or redemption is agreed.

The amount payable on the purchase of a Share will equal the sum of the price of the Share calculated on the basis set out above and any preliminary charge. The amount received on the redemption of a Share will equal the price per Share calculated on the basis set out above less the aggregate of any redemption charge.

Information regarding the preliminary charge and redemption charge is set out below under "Dealing Charges & Dilution Adjustment" in Part 7 below.

The most recent price of Shares of Classes in issue (that is, the price calculated as at the last Dealing Day or additional Valuation Point) will be available at [www.waystone.com](http://www.waystone.com) and by telephoning +44 (0)345 922 0044 between 8:30am and 5:30pm on Business Days. For reasons beyond the control of the ACD, the published prices may not necessarily be the current prices. Potential investors should note that shares are, however, issued on a forward pricing basis and not on the basis of the published prices.

## 7. **Buying, Redeeming, Conversion and Switching of Shares**

The dealing office of the ACD (Waystone Management (UK) Limited, PO Box 389, Darlington, DL1 9UF) is open from 8:30 a.m. until 5:30 p.m. (UK time) on each Business Day in respect of a Fund to receive requests for the sale, redemption and Switching of Shares in relation to that Fund. The ACD may, in accordance with the FCA Rules, identify a point in time in advance of a Valuation Point ("a cut-off point") after which it will not accept instructions to sell or redeem Shares at that Valuation Point. The cut-off point is currently 5.30 p.m. on each Dealing Day.

Shares in the Funds are currently only available to be acquired, or switched between funds or share classes by persons who are resident in the UK (unless the ACD agrees otherwise). The ACD is unable to accept business from persons who are US residents or subsequently become US residents.

### 7.1 **Buying Shares**

Shares can be bought either by sending a completed application form to the ACD at Waystone Management (UK) Limited, PO Box 389, Darlington, DL1 9UF or by telephoning the ACD on +44 (0)345 922 0044. Application forms are available from the ACD or can be downloaded from [www.waystone.com](http://www.waystone.com).

The ACD has the right to reject, if it has reasonable grounds for refusing to sell units to the applicant (for example market timing reasons as outlined below under "Market Timing" or for money laundering purposes as outlined below under "Other Dealing Information"), any application for Shares in whole or part and in this event the ACD will return any application monies sent, or the balance of such monies, at the risk of the applicant. The ACD is also not obliged to sell Shares where payment is not received with an application for Shares.

Any application monies remaining after a whole number of Shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances. Each smaller denomination share is equivalent to one thousandth of a Share.

A contract note giving details of the Shares purchased and the price used will be issued by the end of the business day following the later of receipt of the application to purchase Shares or the Valuation Point by reference to which the purchase price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

If payment has not already been made, settlement will be due within four Business Days of the last Dealing Day. The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue (being more than one Business Day post contractual settlement date) and any costs, losses, claims and expenses arising on such cancellation shall be the liability of the investor. For postal applications payment in full must accompany the instruction. At the ACD's discretion, payment for large purchases of Shares may be made by telegraphic transfer. Investors will not receive title to Shares until cleared funds have been received from the investor, allocated to the investor's account and received by the Fund.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Register. Periodic statements issued twice a year will show the number of Shares held by the recipient. Individual statements of a Shareholder's Shares will also be issued at any time on request from the registered Shareholder (in the case of joint

holders, such request may be made by any one of the joint holders). Statements shall be sent to the first named joint holder, where Shares are held jointly.

If a Shareholder requires evidence of title to Shares, the ACD or the Registrar will (on behalf of the Company) upon such proof of identity as is considered appropriate, supply a certified copy of the entry in the Register relating to his Shares (and, subject to the OEIC Regulations and the FCA Rules, a charge may be imposed for such supply).

Details of the minimum initial lump sum investment in each Class of each Fund and the minimum amount of any lump sum addition to a holding in the same Class of the same Fund are set out in Appendix D (in the sections "Minimum Initial Investment" and "Minimum Subsequent Investment" respectively) but the ACD may, at its absolute discretion, accept investments lower than the relevant minimum. If the value of a Shareholder's holding of Shares of a Class falls below the minimum holding (which is set out in Appendix D in respect of each Fund), his entire holding may be redeemed compulsorily by the ACD.

Shares may not be issued other than to a person who, in writing to the ACD, shall, (a) represent that they are not a US person and are not purchasing the Shares for the account or benefit of a US Person, (b) agree to notify the ACD promptly if, at any time while they remain a holder of any shares, they should become a US Person or shall hold any Shares for the account or benefit of a US Person, and (c) agree to reimburse to the Company and the ACD any losses, damages, costs or expense incurred by them in connection with a breach of the above representation and agreements.

## **7.2 Market Timing**

The ACD may refuse to accept applications for subscriptions, redemptions or switches of Shares in a Fund which it knows or in its absolute discretion considers to be associated with market timing activities.

In general terms, market timing activities are strategies which may include frequent purchases and sales of Shares with a view to profiting from anticipated changes in market prices between Valuation Points or arbitraging on the basis of market price changes subsequent to those used in the valuation of a Fund.

Such market timing activities are disruptive to fund management, may lead to additional dealing charges which cause losses/dilution to a Fund and may be detrimental to performance and to the interests of long term Shareholders. Accordingly, the ACD may in its absolute discretion reject any application for subscription or switching of Shares from applicants that it considers to be associated with market timing activities.

## **7.3 Cancellation Rights**

An investor entering into a contract to purchase Shares from the ACD will have a 14-day option to cancel the investment. Investors (other than those who subscribe through a Regular Savings Plan) opting to cancel may receive less than their original investment if the Share price falls subsequent to their initial purchase. Investors investing through the Regular Savings Plan will be entitled to cancel their first subscription only; if a Regular Saver decides to cancel their contract within 14 days after the date on which they receive the cancellation notice then

they will receive back the full amount of their initial subscription. The ACD may extend cancellation rights to other investors but is under no obligation to do so.

#### **7.4 Redemption of Shares**

Subject as mentioned below under "Suspension of Dealings in Shares" in this Part 7 or unless the ACD has reasonable grounds to refuse, every Shareholder has the right on any Dealing Day in respect of a particular Fund to require that the Company redeems all or (subject as mentioned below) some of his Shares of a particular Class in relation to that Fund.

Requests to redeem Shares must be made to the ACD by telephone on +44 (0)345 922 0044 (in which case the identification procedures and controls required by the ACD from time to time must be satisfied) or in writing signed by the Shareholder (or, in the case of joint Shareholders, each of them) sent to the ACD at Waystone Management (UK) Limited, PO Box 389, Darlington, DL1 9UF and must specify the number or value and Class of the Shares to be redeemed and the Fund to which they relate. Electronic dealing is available for corporate investors through EMX and Calastone by contacting the ACD on 0115 988 8272.

Where a redemption request is made by telephone the Shareholder (or, in the case of joint Shareholders, each of them) must complete and sign a renunciation of title form (available on request from the ACD) and send it to the ACD at Waystone Management (UK) Limited, PO Box 389, Darlington, DL1 9UF. The ACD will not release the proceeds of the redemption to the Shareholder, until an original renunciation of title form is received. No interest will be payable in respect of sums held pending receipt of a renunciation of title form. Except where otherwise expressly agreed with the ACD, the ACD will not accept facsimile renunciation of title forms.

Redemption requests that are made by telephone will be irrevocable and will be processed during or immediately after the conclusion of the telephone call.

Where the Shareholder wishes to redeem part (rather than the whole) of his holding of Shares, the ACD may decline to redeem those Shares (and the Shareholder may, therefore, be required to redeem his entire holding of those Shares) if either (1) the number or value of Shares which he wishes to redeem would result in the Shareholder holding Shares in a Fund with a value less than the minimum holding specified in Appendix D in respect of that Fund or (2) the value of the Shares in a Fund which the Shareholder wishes to redeem is less than the minimum partial redemption (if any) specified in Appendix D in respect of that Fund.

Not later than the end of the business day following the later of the receipt of the written redemption request or the telephone redemption request and the Valuation Point by reference to which the redemption price is determined, a contract note giving details of the number, Class and price of the Shares redeemed will be sent to the redeeming Shareholder (or the first-named, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of joint Shareholders, by all of them).

However, an instruction to the ACD to redeem Shares, although irrevocable, may not be accepted by either the Company or the ACD if the redemption represents Shares where the investor has not received title (see 'Buying Shares' section).

Payment of the redemption monies will be made:

- (a) in the case of a written redemption request (which, in the case of joint Shareholders, must be signed by each of them), within four business days after the later of (a) receipt by the ACD of the written redemption request and (b) the Valuation Point following receipt by the ACD of the request to redeem; and
- (b) in the case of a telephone redemption request, within four business days after the later of (a) receipt by the ACD of written confirmation (which in the case of joint shareholders, must be signed by each of them) of the telephone redemption request and (b) the Valuation Point following receipt by the ACD of the request to redeem.

Please note however that the ACD reserves the right to request additional information or proof of identity, in order to validate elements of the transaction and to comply with any relevant money laundering regulations. This may delay the despatch of any redemption proceeds to the Shareholder. Until this proof is provided the ACD reserves the right to refuse to redeem shares or to delay processing and/or withhold any payments due to investors in respect of their investment and to discontinue any deals it is conducting on behalf of those investors.

Payment will normally be made by cheque or by electronic transfer.

## **7.5 Conversion and Switching**

Conversion will be effected by the ACD recording the change of class on the Register.

Conversion requests must be made to the ACD by telephone on +44 (0)345 922 0044 (or such other number as published from time to time) or in writing sent to the dealing office of the ACD. Conversion will be effected at the next valuation point following receipt of instructions. For UK Shareholders, Conversions will not be treated as a disposal for capital gains tax purposes and no stamp duty reserve tax will be payable on the conversion. There is currently no fee on Conversions but the ACD, subject to the FCA Rules, may at its discretion introduce such a fee.

A holder of Shares may, subject as mentioned below, at any time Switch all or some of those Shares (the "Original Shares") for Shares in relation to another Fund (the "New Shares"). No Switch will be effected during any period when the right of Shareholders to require the redemption of their Shares is suspended.

Switching requests must be made to the ACD by telephone on +44 (0)345 922 0044 (in which case the identification procedures and controls required by the ACD from time to time must be satisfied) or in writing sent to the ACD at Waystone Management (UK) Limited, PO Box 389, Darlington, DL1 9UF and must specify (1) the number and Class of the Original Shares to be Switched, (2) the Fund to which the Original Shares relate and (3) the Class of the New Shares and the Fund to which they relate. Switching requests made by telephone must be confirmed in writing (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) sent to the ACD at the address stated in this paragraph.

Subject as mentioned above, a Switch will be effected as at the next Valuation Point following the time at which the valid Switching request is received by the ACD or (if required by the

ACD) when written, signed Switching instructions are received by the ACD or as at such other Valuation Point as the ACD may agree at the request of the Shareholder. Where the Switch is between Funds that have different Valuation Points, the cancellation or redemption of the Original Shares shall take place at the next Valuation Point of the Fund to which the Original Shares relate following receipt (or deemed receipt) by the ACD of the Switching request or (if required by the ACD) the duly completed and signed Switching instructions and the issue or sale of the New Shares shall take place at the next subsequent Valuation Point of the Fund to which the New Shares relate.

The ACD may at its discretion charge a switching fee, which is described below under "Switching Fee".

If the Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding specified in Appendix D in respect of the Fund concerned, the ACD may, if it thinks fit, convert the whole of the Shareholder's holding of Original Shares into New Shares or refuse to effect the requested Switch of the Original Shares. The ACD shall refuse to effect a requested switch by a shareholder if any other conditions attached to the purchase or holding of New Shares are not satisfied with respect to that shareholder or if the ACD has reasonable grounds for refusing the request.

The number of New Shares to which the Shareholder will become entitled on a Switch will be determined by reference to the respective prices of New Shares and Original Shares at the Valuation Point applicable at the time the Original Shares are cancelled or redeemed or, where the Switch is between Funds that have different Valuation Points, by reference to the price of Original Shares at the Valuation Point applicable at the time the Original Shares are cancelled or redeemed and by reference to the price of New Shares at the Valuation Point applicable at the time of the issue or sale of the New Shares.

The ACD may at its discretion adjust the number of New Shares to be issued to reflect the imposition of any Switching fee (see below) together with any other charges or levies in respect of the issue or sale of the New Shares or repurchase or cancellation of the Original Shares as may be permitted pursuant to the FCA Rules and this Prospectus.

The ACD may, upon appropriate notice to affected Shareholders, effect a compulsory Conversion of Shares in one Class of a Fund for another Class of the same Fund. Such compulsory Conversion shall be conducted as described above in this section. A compulsory Conversion will only be undertaken where the ACD reasonably considers it is in the best interests of affected Shareholders. By way of example, the ACD may effect a compulsory Conversion where the ACD reasonably believes it is in the best interests of Shareholders to reduce the number of available Classes

**A Switch of Shares in one Fund for Shares in another Fund is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of the taxation of capital gains. A Conversion of Shares in one Class for Shares in another Class in relation to the same Fund will not normally be treated as a realisation for UK tax purposes.**

A Shareholder who Switches Shares in one Fund for Shares in another Fund will not, in any circumstances, be given a right by law to withdraw from or cancel the transaction.

## 7.6 Dealing Charges and Dilution Adjustment

### 7.6.1 Preliminary Charge

The ACD may make (and retain) a preliminary charge on the sale of Shares to be borne by Shareholders. The current level of the preliminary charge in respect of each Class of each Fund is set out in Appendix D. The ACD may only increase the preliminary charge in accordance with the FCA Rules, the relevant provisions of which are set out below in Part 8.

### 7.6.2 Redemption Charge

The ACD may make (and retain) a charge on the redemption of Shares to be borne by Shareholders. At present no redemption charge is levied.

The ACD may only introduce a redemption charge on the Shares or make a change to the rate or method of calculation of a redemption charge once introduced in accordance with the FCA Rules.

Any redemption charge introduced will apply only to Shares sold since its introduction.

### 7.6.3 Switching Fee

The ACD may impose a Switching fee to be borne by Shareholders (out of the value of the original Shares being cancelled or redeemed as a result of the Switch). The fee will not exceed an amount equal to the preliminary charge then applicable to the New Shares being acquired as a result of the Switch. The Switching fee is payable to the ACD.

### 7.6.4 Dilution Adjustment

The actual cost of purchasing or selling assets and investments in a Fund may vary due to dealing charges, taxes, and any spread between buying and selling prices of the underlying investments of a Fund. These costs could have an adverse effect on the value of the Fund, known as "dilution". In order to mitigate the effect of dilution the ACD may at its discretion adjust the sale and purchase price of Shares to take into account the possible effects of dilution to arrive at the price of the Shares. This practice is known as making a "dilution adjustment" or "swing pricing". The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in a Fund. If the price of the Shares does contain a dilution adjustment, such dilution adjustment will be paid into the Fund and will become part of the property of the Fund thus mitigating the effects of dilution that would otherwise constrain the future growth of the Fund.

The ACD reserves the right to make a dilution adjustment every Dealing Day. The dilution adjustment is calculated using the estimated dealing costs of the Fund's underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The discount or premium to NAV per Share (i.e. the rate of dilution adjustment) will depend on the volume of subscriptions or

redemptions of Shares and the ACD is not currently able to predict the likely frequency of such events. The ACD may in its discretion make a dilution adjustment if, in its opinion, the existing Shareholders, in the case of subscriptions, or remaining Shareholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Shareholders and potential Shareholders.

In particular, the dilution adjustment may be made in relation to a Fund in the following circumstances: (i) where the Fund is expanding or contracting; (ii) where the Fund is experiencing a large net subscription position or a large net redemption position relative to its size on any Dealing Day; and (iii) in any other case where the ACD is of the opinion that the interests of Shareholders requires the imposition of a dilution adjustment. A Fund is regarded as expanding where, based on the daily movements in and out of the Fund, the Fund has experienced a net inflow of money over a period of time. A Fund is regarded as contracting where, over a period of time, the Fund has experienced a net outflow. A Fund is regarded as level where it is considered to be neither expanding nor contracting based on the above criteria.

Where a Fund is expanding, the ACD will normally swing the price to “offer” (i.e. increase the price by the adjustment rate referred to above), however in the event of net outflows on a given Dealing Day the ACD may leave the price at “mid” (i.e. the price without any adjustment applied) or swing the price to “bid” (i.e. reduce the price by the adjustment rate referred above) if the outflows are of significant size relative to the size of the Fund.

Where a Fund is contracting, the ACD will normally swing the price to “bid”, however in the event of net inflows on a given Dealing Day the ACD may leave the price at “mid” or swing the price to “offer” if the inflows are of significant size relative to the size of the Fund.

The dilution adjustment will be applied to the Net Asset Value per Share in each Class resulting in a figure calculated up to four decimal places. The final digit in this figure will then be rounded either up or down in accordance with standard mathematical principles resulting in the final price for the Shares.

On the occasions when a dilution adjustment is not applied if a Fund is in a net subscription position or a net redemption position, there may be an adverse impact on the assets of the Fund attributable to each underlying Share, although the ACD does not consider this to be likely to be material in relation to the potential future growth in value of a Share.

As dilution is directly related to the inflows and outflows of monies from a Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the ACD will need to make a dilution adjustment. In normal market conditions and under the tax and exchange fee regimes currently in operation in the relevant markets, the dilution adjustment is, based on historical data, likely to be in the range of NAV -2% to NAV +2% and applied from time to time.

## 7.7 Other Dealing Information

### 7.7.1 Money Laundering

As a result of legislation in force in the United Kingdom to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. Accordingly, in certain circumstances investors may be asked to provide proof of identity when buying or selling Shares and, until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue or redeem Shares or to delay processing and/or withhold any payments due to investors in respect of their investment and to discontinue any deals it is conducting on behalf of those investors. No interest will be payable in respect of sums held pending receipt of a satisfactory proof of identity.

The ACD also reserves the right to request additional information or proof of identity, in order to validate any element of a transaction and to comply with any relevant money laundering regulations. The checks on identity may include an electronic search of information held on the electoral roll and the use of credit reference agencies and in applying to buy Shares an investor gives permission to access this information in accordance with the Data Protection Act 1998.

For example, an individual may be required to produce a duly certified copy of his passport or identification card together with evidence of his address such as a utility bill or bank statement and his date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business address of the directors of the company.

### 7.7.2 Restrictions and Compulsory Transfer and Redemption

The ACD may from time to time impose such restrictions, as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in circumstances (the “relevant circumstances”):

- 7.7.2.1 which constitutes a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- 7.7.2.2 which would require the Company, the ACD or the Investment Manager to be registered under any law or regulation of any country or territory or cause the Company to apply for registration or comply with any registration requirements in respect of any of its Shares whether in the US or any other jurisdiction in which it is not currently registered; or
- 7.7.2.3 which would (or would if other Shares were acquired or held in like circumstances), in the opinion of the ACD, result in the Company, its Shareholders, the ACD or the Investment Manager incurring any

liability to taxation or suffering any other legal, regulatory, pecuniary or other adverse consequence which it or they might not have otherwise suffered; or

7.7.2.4 where such person is a US Person or is holding the Shares for the account or benefit of a US Person.

For the purposes of the “relevant circumstances” above, “Investment Manager” shall include the Investment Adviser and any other person appointed by the ACD and/or the Company to provide investment management and/or investment advisory services in respect of the Scheme Property of the Company or in respect of the Fund.

In connection with the relevant circumstances, the ACD may, inter alia, reject at its discretion any application for the purchase, sale, or switching of Shares.

If it comes to the notice of the ACD that any Shares (“affected Shares”) are owned whether beneficially or otherwise in any of the relevant circumstances or if it reasonably believes this to be the case, the ACD may give notice to the holder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or the Switch, where possible, of the affected Shares for other Shares the holding or acquisition of which would not fall within any of the relevant circumstances (“non-affected Shares”) or that a request in writing be given for the redemption or cancellation of such Shares in accordance with the FCA Rules. If any person upon whom such a notice is served does not within 30 days after the date of such notice transfer his affected Shares to a person qualified to own them or Switch his affected Shares for non-affected Shares or establish to the satisfaction of the ACD (whose judgement is final and binding) that he and any person on whose behalf he holds the affected Shares are qualified and entitled to own the affected Shares, he shall be deemed upon the expiration of that 30 day period to have given a request in writing for the redemption or cancellation of all the affected Shares pursuant to the FCA Rules.

A person who becomes aware that he is holding or owns (whether beneficially or otherwise) affected Shares in any of the relevant circumstances shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Shares to a person qualified to own them or, where possible, Switch the affected Shares for non-affected Shares or give a request in writing for the redemption or cancellation (at the discretion of the ACD) of all his affected Shares pursuant to the FCA Rules.

A person who becomes aware that he is holding or owns (whether beneficially or otherwise) affected Shares in any of the relevant circumstances shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Shares to a person qualified to own them or, where possible, Switch the affected Shares for non-affected Shares or give a request in writing for the redemption or cancellation (at the discretion of the ACD) of all his affected Shares pursuant to the FCA Rules.

### **7.7.3 Issue of Shares in Exchange for In Specie Assets**

On request, the ACD may, at its discretion, arrange for the Company to issue Shares in exchange for assets other than money, but will only do so where the Depositary has taken reasonable care to ensure that the Company's acquisition of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares relating to any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

### **7.7.4 In Specie Redemptions**

If a Shareholder requests the redemption or cancellation of Shares and the ACD considers the same to be substantial in relation to the total size of the Fund concerned, the ACD may arrange that, instead of payment of the price of the Shares in cash, the Company cancels the Shares and transfers to the Shareholder assets out of the Scheme Property of the relevant Fund or, if required by the Shareholder, the net proceeds of sale of those assets.

Before the proceeds of the cancellation of Shares become payable, the ACD must give written notice to the Shareholder that assets out of the Scheme Property of the relevant Fund (or the net proceeds of sale thereof) will be transferred to that Shareholder.

The ACD will select in consultation with the Depositary the assets within the Scheme Property of the relevant Fund to be transferred or sold. The Depositary may pay out of the Scheme Property assets other than cash as payment for cancellation of Shares only if it has taken reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of Shareholders.

The assets within the Scheme Property of the relevant Fund to be transferred (or the proceeds of sale thereof) shall be subject to the retention by the Depositary of Scheme Property including cash of a value or amount equivalent to any redemption charge to be paid in relation to the cancellation of Shares.

### **7.7.5 Suspension of Dealings in Shares**

The ACD may with the agreement of the Depositary (and must if the Depositary so requires) temporarily suspend the issue, cancellation, sale and redemption of Shares of any one or more Classes in any or all of the Funds if the ACD, or the Depositary in the case of any requirement by the Depositary, is of the opinion that due to exceptional circumstances it is in the interests of all the Shareholders.

The ACD will notify shareholders of the suspension as soon as practicable after suspension commences.

During a suspension the obligations relating to the issue, sale, cancellation and redemption of Shares contained in Chapter 6 of the FCA Rules will cease to apply and the ACD must comply with as many of the obligations relating to valuation of assets as are practicable in the light of the suspension.

In accordance with Chapter 7 of the FCA Rules, suspension of dealing in Shares must cease as soon as practicable after the exceptional circumstances have ceased and the ACD and Depositary must formally review the suspension at least every 28 days and must notify the FCA of the results of this review.

The calculation of share prices will recommence as at the next Valuation Point following the ending of the suspension.

#### **7.7.6 Governing Law**

All dealings in Shares will be governed by English law.

#### **7.7.7 Electronic Communications**

Currently, transfers of title to shares may not be effected on the authority of an electronic communication.

## 8. Fees and Expenses

**The Company, the Depositary, the Global Sub-Custodians, the ACD, the Investment Adviser, the Auditor or any other "affected person" are not liable to account to each other or to Shareholders for any profits or benefits made or received which derive from or in connection with dealings in the shares, or any transaction in the Scheme Property or the supply of services to the Company.**

### 8.1 General

The fees, costs and expenses relating to the authorisation, incorporation and establishment of the Company, the preparation and printing of the first Prospectus and the fees of the professional advisers to the Company in connection therewith will be borne by the ACD or by another company in the ACD's Group and not by the Funds initially available. Each Fund may bear its own direct authorisation and establishment costs.

The Company may also pay the following expenses (including value added tax, where applicable) out of the property of any one or more of the Funds:

- 8.1.1 the fees and expenses payable to the ACD and to the Depositary (as set out below);
- 8.1.2 fees and expenses in respect of establishing and maintaining the Register and any plan registers and related functions (whether payable to the ACD or any other person);
- 8.1.3 expenses incurred in acquiring and disposing of investments;
- 8.1.4 expenses incurred in distributing income to Shareholders;
- 8.1.5 fees in respect of the publication and circulation of details of the Net Asset Value of each Fund and each Class of Shares of each Fund;
- 8.1.6 the fees and expenses of the auditors and legal, tax and other professional advisers of the Company and of the ACD (including the fees and expenses of providers of advisory services in relation to class actions);
- 8.1.7 the costs of convening and holding meetings of Shareholders (including meetings of Shareholders in any particular Fund or in any particular Class within a Fund);
- 8.1.8 the costs of printing and distributing reports, accounts and any Prospectus and/or key investor information document (which for the avoidance of doubt does not include any costs relating to the distribution of the key investor information documents);
- 8.1.9 the costs of publishing prices and other information which the ACD is required by law to publish and any other administrative expenses;
- 8.1.10 taxes and duties payable by the Company;

- 8.1.11 interest on and charges incurred in relation to borrowings;
- 8.1.12 fees of the FCA under Schedule 1, Part III of the Act and the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares are or may be marketed;
- 8.1.13 fees and expenses in connection with the listing of Shares on any stock exchange;
- 8.1.14 any costs incurred in modifying the Instrument of Incorporation or the Prospectus (including periodic updates of the Prospectus);
- 8.1.15 any expenses properly incurred by the Depositary in performing duties imposed upon it (or exercising powers conferred on it) by the FCA Rules or the OEIC Regulations. The relevant duties include (but are not limited to) the delivery of stock to the Depositary or the Global Sub-Custodians, the custody of assets, the collection of income, the submission of tax returns, the handling of tax claims, the preparation of the Depositary's annual report and any other duties the Depositary is required to perform by law;
- 8.1.16 insurance which the Company may purchase and/or maintain for the benefit of and against any liability incurred by any directors of the Company in the performance of their duties;
- 8.1.17 liabilities on amalgamation or reconstruction arising where the property of a body corporate or another collective investment scheme is transferred to the Depositary in consideration for the issue of Shares to the shareholders in that body or to participants in that other scheme, provided that any liability arising after the transfer could have been paid out of that other property had it arisen before the transfer and, in the absence of any express provision in the Instrument of Incorporation forbidding such payment, the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer;
- 8.1.18 any costs incurred in forming a Fund or a Class of Shares;
- 8.1.19 any costs and expenses incurred in registering, having recognised or going through any other process in relation to the Company or any Fund in any territory or country outside the United Kingdom for the purposes of marketing Shares of the Company or any Fund in such territory or country (including any costs and expenses incurred in translating or having translated the Instrument of Incorporation, the Prospectus and any other document);
- 8.1.20 any costs and expenses incurred in relation to the winding up of a Fund or the Company; and
- 8.1.21 any other costs or expenses that may be taken out of the Company's property in accordance with the FCA Rules.

Expenses will be allocated between capital and income in accordance with the FCA Rules. Treating any fees, expenses and charges as a capital charge may erode the capital or may constrain future capital growth.

In the event that any expense, cost, charge or liability which would normally be payable out of income property attributable to a Class or Fund cannot be so paid because there is insufficient income property available for that purpose, such expense, cost, charge or liability may be paid out of the capital property attributable to that Class or Fund.

## **8.2 Charges payable to the ACD**

In payment for carrying out its duties and responsibilities the ACD is entitled to receive out of the assets of each Fund an annual management charge.

For the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>3</sup>, the annual management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Fund on the immediately preceding Dealing Day and the amount due for each month is payable on the last Dealing Day of each month.

The current rate of annual management charge for each Fund (expressed as a percentage per annum of the Net Asset Value of each Fund) is set out in Appendix D.

Any value added tax on the annual management charge will be added to that charge.

On a winding up of the Company or a termination of a Fund or on the redemption of a Class of Shares of a Fund, the ACD is entitled to its pro rata fees and expenses (including expenses incurred in relation to such winding up or redemption) to the date of termination and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

The ACD is also entitled to all reasonable, properly vouched out-of-pocket expenses incurred in the performance of its duties (including the fees and expenses of providers of administration services in relation to class actions).

The ACD may only increase its remuneration for its services in accordance with the FCA Rules.

## **8.3 Investment Adviser's Fee**

For the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>3</sup>, the Investment Adviser will be paid monthly by the ACD out of the annual management charge (set out in the table above). The Investment Adviser has agreed with the ACD that the Investment Adviser's fee will be the balance of the annual management charge less the fee payable to the ACD.

## **8.4 Depositary's Fee**

The Depositary is entitled to receive out of each Fund by way of remuneration a periodic charge, which will be calculated and accrue daily and be paid monthly as soon as practicable after the end of each month, and certain additional charges and expenses. The rate of the

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<sup>3</sup> Please note that this Fund is no longer available for investment.

Depository's periodic charge in respect of each Fund will be such rate or rates as agreed from time to time between the ACD and the Depository in accordance with the COLL Sourcebook. The current rate of the Depository's periodic charge in respect of each Fund is:

Value of Fund:	Fee:
£0 - £100 million	0.03%
£100 million - £150 million	0.0175%
£150 million - £1 billion	0.01%
£1 billion - £2 billion	0.005%
£2 billion and above	0.0025%

of the value of the Scheme Property of the Fund, subject to a minimum of £5,000 per annum, per Fund.

In the event of the termination of a Fund, the Depository shall continue to be entitled to a periodic charge in respect of that Fund for the period up to and including the day on which the final distribution in the termination of the Fund shall be made or, in the case of a termination following the passing of an extraordinary resolution approving a scheme of arrangement, up to and including the final day on which the Depository is responsible for the safekeeping of the Scheme Property of the Fund. Such periodic charge will be calculated, be subject to the same terms and accrue and be paid as described above, except that for the purpose of calculating the periodic charge in respect of any day falling after the day on which the termination of the Fund commences, the value of the Scheme Property of the Fund shall be its Net Asset Value determined at the beginning of each such day.

The Depository Agreement between the Company and the Depository provides that in addition to a periodic charge the Depository may also be paid by way of remuneration custody fees where it acts as custodian and other transaction and bank charges. At present the Depository acts as global custodian and delegates the function of custody of the Scheme Property to The Bank of New York Mellon SA/NV and The Bank of New York Mellon.

The remuneration for acting as custodian is calculated at such rate and/or amount as the ACD and the Depository may agree from time to time.

The current remuneration ranges from between 0.002% per annum to 0.41% per annum of the value of the Scheme Property, plus VAT (if any) calculated at an ad valorem rate determined by the territory or country in which the assets of the Fund are held. The current range of transaction charges is between £4 and £67.50 per transaction plus VAT (if any). Charges for principal investment markets are:

	Transaction charge per trade	Custody charge % per annum

United Kingdom	£4	0.002
United States	£4	0.002
Germany	£9	0.008
Japan	£9	0.005

Custody and transaction charges will be payable monthly in arrears.

In addition to the remuneration referred to above, the Depositary is entitled to receive reimbursement for expenses properly incurred by it in discharge of its duties or exercising any powers conferred upon it in relation to the Company and each Fund. Such expenses include, but are not restricted to:

- (i) delivery of stock to the Depositary or custodian;
- (ii) custody of assets;
- (iii) collection of income and capital;
- (iv) submission of tax returns;
- (v) handling tax claims;
- (vi) preparation of the Depositary's annual report;
- (vii) arranging insurance;
- (viii) calling Shareholder meetings and otherwise communicating with Shareholders;
- (ix) dealing with distribution warrants;
- (x) taking professional advice;
- (xi) conducting legal proceedings;
- (xii) such other duties as the Depositary is permitted or required by law to perform.

VAT (if any) in connection with any of the above is payable in addition.

Expenses not directly attributable to a particular Fund will be allocated between Funds. In each case such expenses and disbursements will also be payable if incurred by any person (including the ACD or an Associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the COLL Sourcebook by the Depositary.

## 9. **Accounting and Income**

### 9.1 **Accounting Periods**

The annual accounting period of the Company will end on 31 May ("the accounting reference date") in each year. The half-yearly accounting period will end on 30 November in each year.

### 9.2 **Annual Reports**

Annual long reports of the Company will be published within four months following the end of the annual accounting period. Half-yearly long reports will be published within two months following the end of the half-yearly accounting period.

The ACD will also send a copy of the relevant report to any person free of charge on request.

Copies may be inspected at the offices of the ACD at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL. Copies are available from the ACD at that address. Shareholders are entitled to apply for and receive long reports containing the full financial statements and these may also be downloaded from [www.waystone.com](http://www.waystone.com).

### 9.3 **Income**

Allocations of income are made in respect of the income available for allocation in each accounting period (whether annual or interim). The annual and interim income allocation dates, if any, for each Fund are given in Appendix D. Allocations of income for each Fund will be made on or before the relevant income allocation date. Payment of income distributions will normally be made by bank transfer (BACS) but may be made by cheque.

The amount available for allocation in respect of any Fund in any accounting period will be calculated in accordance with the FCA Rules by taking the aggregate of the income received or receivable for the account of the relevant Fund in respect of that period and deducting the charges and expenses of the relevant Fund paid or payable out of income in respect of that accounting period. The ACD will then make such other adjustments in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and any other adjustments (including for reimbursement of set up costs) which the ACD considers appropriate after consulting the Company's auditors. The ACD does not currently intend to operate smoothing of income distributions.

The Company will allocate the amount available for allocation between the Classes of Shares in issue relating to a Fund in accordance with the respective proportionate interests of each such Class of Shares calculated in the manner described in Appendix C.

If a distribution payment of a Fund remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Company. Thereafter neither the shareholder nor his successor will have any right to it except as part of the capital property of the Fund.

### 9.4 **Income Equalisation**

Income equalisation is currently distributed in relation to each Fund.

Part of the purchase price of a Share reflects the relevant share of accrued income received or to be received by the Company. This capital sum ("income equalisation"), where distributed, is returned to a Shareholder with the first allocation of income to the Share in question in respect of the accounting period in which it was issued or sold.

The amount of income equalisation in respect of an accounting period is calculated by dividing the aggregate of the amounts of income included in the prices of all Shares issued or sold to Shareholders during that accounting period by the number of those Shares and applying the resultant average to each of those Shares.

In the two preceding paragraphs, "accounting period" means any interim accounting period, the period between the end of the last interim accounting period in an annual accounting period and the end of that annual accounting period and, where there is no interim accounting period in an annual accounting period, the annual accounting period itself.

The ACD may, subject to compliance with the FCA Rules and the OEIC Regulations, decide that income equalisation is to cease to be distributed in respect of any Fund, in which case, it shall instead be accumulated as part of the capital property of the Fund.

## 10. **UK Taxation**

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs (“HMRC”) practice, all of which are subject to change. It summarises the tax position of the Company and of Shareholders who are United Kingdom resident individuals or companies, and hold Shares as investments. The information given under this heading does not constitute legal or tax advice and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, converting, or disposing of Shares under the laws of the jurisdiction in which they are resident, or treated as resident, for tax purposes.

The Government is responsible for setting tax rates and allowances, which are subject to change periodically.

Investors should be aware that such changes can impact their tax position. As stated, investors are advised to stay informed about current tax legislation and consult with a tax advisor for bespoke advice on their own particular circumstances.

### 10.1 **The Company and its Funds**

The Funds are exempt from UK tax on dividends received from UK companies and overseas companies (subject to certain conditions). The Funds can choose to elect to tax particular overseas dividends they receive and, where they make such an election, these dividends will be included in the taxable income of the Funds. Most other sources of income (e.g. interest income) will also constitute taxable income of the Funds. The Funds will be subject to corporation tax on its taxable income after deducting allowable expenses and interest distributions (see below) and subject to any relief for some or all of any foreign tax suffered in respect of that taxable income.

Capital gains and losses on creditor relationships (e.g. loan stocks, corporate bonds, gilts) will not be taxable if they are included in the accounts as ‘net gains/losses on investments’ or ‘other gains/losses’.

Capital gains realised on the disposal of the investments held by the Funds are not subject to UK corporation tax. However, in certain circumstances, income may be deemed to arise for tax purposes in respect of investments (e.g. interests in limited partnerships and material interests in offshore funds) notwithstanding that the income concerned has not been received as such by the Funds.

There is no specific exemption from UK stamp taxes (i.e. stamp duty or stamp duty reserve tax (“SDRT”)) for the Funds. Broadly speaking, stamp duty is paid on transactions involving stock or marketable securities, and the rate is 0.5% of the amount paid for the stock or securities (rounded up to the nearest £5). There is no stamp duty and/or SDRT liability on amounts paid for any Shares redeemed by the Funds. A charge may apply for certain in specie redemptions. The Funds may incur similar taxes in another jurisdiction if it carries out transactions involving that jurisdiction.

### 10.2 **Shareholders**

Allocations of income to Shareholders are treated as taxable distributions regardless of whether the income is retained within the Fund or actually paid to Shareholders.

#### **10.2.1 Income – Dividend Distributions**

Any dividend distribution made by the Funds to an individual Shareholder will be treated as if it were a dividend from a UK company. No deduction of UK income tax is made from a dividend distribution. Individual UK resident Shareholders will be subject to UK income tax at their normal rate, subject to any exempt income received within an individual's dividend allowance, and it is recommended that specific tax advice is taken in respect of rates and other details that may relate to this allowance.

Dividend income in excess of any dividend allowance applying is currently taxed at different marginal rates for basic rate taxpayers, higher rate taxpayers and additional rate taxpayers.

Corporate Shareholders within the charge to UK corporation tax will receive this income distribution as dividend income to the extent that the distribution relates to underlying dividend income (before deduction of expenses, but net of UK corporation tax (if any)) for the period in respect of which the distribution is made. Subject to certain conditions, this dividend income should normally be exempt from UK corporation tax. Any part of the distribution which is not received as dividend income is deemed to be an annual payment subject to UK corporation tax in the hands of the corporate Shareholder.

#### **10.2.2 Income – Interest Distributions**

Where over 60% of the market value of the Funds' investments are "qualifying investments" (broadly, interest generating assets), the Funds may make an interest distribution instead of a dividend distribution. The amount of the interest distribution is deductible in computing the Funds' income for corporation tax purposes and such funds making interest distributions are classified for taxation purposes as "bond funds".

Interest distributions made by the Funds to UK resident shareholders will not be paid subject to the deduction of UK income tax.

Individual UK resident Shareholders will be subject to UK income tax at their normal rate, subject to any income received within an individual's personal savings allowance, and again, it is recommended that specific tax advice is taken in respect of rates and other details that may relate to this allowance.

UK resident corporate Shareholders are subject to UK corporation tax on gross interest distributions, whether paid or allocated to them.

#### **10.2.3 Income Equalisation**

The first income allocation received by a Shareholder after buying Shares may include an amount of income equalisation, which will be shown on the issued tax

voucher. This is effectively a repayment of the income equalisation paid by the Shareholder as part of the purchase price. It is a return of capital, and is not taxable. Rather, it should be deducted from the acquisition cost of the Shares for capital gains tax purposes.

#### 10.2.4 **Tax Vouchers**

A tax voucher will be issued in line with the income distribution dates set out in Appendix I. This voucher should be retained for tax purposes as evidence for HM Revenue & Customs.

#### 10.2.5 **Capital Gains**

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax or, where the Shareholder is a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of Shares. It is not expected that Conversions between Classes of the same Fund should give rise to such tax, provided that no consideration is given or received other than the Shares being Converted, and the Conversion is being effected for bona fide commercial reasons and does not form part of a tax avoidance scheme.

Capital gains made by individual Shareholders on disposals from all chargeable sources of investment will be free of tax if the net gain (after deduction of allowable losses suffered in the same tax year) falls within an individual's annual capital gains exemption.

An individual's net chargeable gains will be taxed at the appropriate capital gains tax rate(s), depending on the individual's marginal income tax rate for the year of disposal.

It is recommended that individual investors obtain their own tax advice to determine the relevant rate(s) of capital gains tax applying to their net chargeable gains.

Relevant shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares in their taxable profits.

Special provisions apply to a UK corporate Shareholder which invests in a bond fund (see above). Where this is the case, the corporate Shareholder's Shares are treated for tax purposes as rights under a creditor loan relationship. This means that the increase or decrease in value of the Shares during each accounting period of the corporate Shareholder is treated as a loan relationship credit or debit, as appropriate, and constitutes income (as opposed to a capital gain) for tax purposes and, as such, is taxed in the year that it arises.

The amount representing the income equalisation element of the Share price is a return of capital and is not taxable as income in the hands of Shareholders. This amount should be deducted from the cost of Shares in computing any capital gain realised on a subsequent disposal.

#### 10.2.6 **Provision of tax advice for investors**

It should be noted that the Authorised Corporate Director (ACD) of this fund, being Waystone Management (UK) Limited, does not provide taxation advice of any description for any relevant jurisdiction to any of the Funds' investors.

As such, any information provided in the taxation section should not be relied upon by the Funds or their investors as the basis for any investment or other decision relating to the investor's current or future holding in the Funds and it is strongly recommended that investors obtain their own tax advice as to how their own specific circumstances are affected by the taxation information provided.

**These details are provided for information purposes only.**

### 10.3 Reporting of tax information

The Company (and its Funds) and the ACD are subject to obligations which require them to provide certain information to relevant tax authorities about the Company, the Funds, shareholders and payments made to them.

The International Tax Compliance Regulations 2015 give effect to reporting obligations under the Organisation for Economic Co-Operation and Development's Common Reporting Standard for the Automatic Exchange of Financial Account Information (the "CRS") and in accordance with an intergovernmental agreement between the US and the UK in relation to the US Foreign Account Tax Compliance Act ("FATCA")

#### 10.3.1 US Foreign Account Tax Compliance

Due to US tax legislation (the Foreign Account Tax Compliance Act, "FATCA"), which can affect financial institutions such as the Company and its Funds, the Company and its Funds may need to disclose to HM Revenue and Customs ("HMRC") \* the name, address and taxpayer identification number relating to certain US investors who fall within the definition of "Specified US Person" in FATCA that own, directly or indirectly, an interest in certain entities, as well as certain other information relating to such interest. HMRC will in turn exchange this information with the Internal Revenue Service ("IRS") of the United States of America.

(\*The UK has entered into an inter-governmental agreement ("IGA") with the US to facilitate FATCA compliance. Under this IGA, FATCA compliance will be enforced under UK tax legislation and reporting).

While the Company and its Funds shall use reasonable endeavours to cause the Company and its Funds to avoid the imposition of US federal withholding tax under FATCA, the extent to which the Company and its Funds are able to do so and report to HMRC will depend on each affected Shareholder in the Funds providing the Company and its Funds or their delegates with any information that the Company and its Funds determine is necessary to satisfy such obligations. The 30% withholding tax regime could apply if there is a failure by Shareholders to provide certain required information.

By signing the application form to subscribe for Shares in the Funds, each affected Shareholder is agreeing to provide such information upon request from the Company and its Funds or their delegates. The Company and its Funds may exercise their right to completely redeem the holding of an affected Shareholder (at any time upon any or no notice) if he fails to provide the Company and its Funds with the information the Company and its Funds request to satisfy their obligations under FATCA.

### 10.3.2 Other Reporting to Tax Authorities

The UK and a number of other jurisdictions have also agreed to enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information (“CRS”) published by the Organisation for Economic Co-operation and Development (“OECD”). This allows for the automatic exchange of financial information between tax authorities. These agreements and arrangements, as transposed into UK law, may require the Company and its Funds, as UK Financial Institutions, (or the ACD/Manager on their behalf) to provide certain information to HMRC about investors from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities).

Two UK corporate criminal offences for failure to prevent the facilitation of tax evasion (“Facilitation Offences”) were created by the Criminal Finances Act 2017. The offences came into force on 30 September 2017. The Facilitation Offences impose criminal liability on a company or a partnership (a “Relevant Body”) if it fails to prevent the criminal facilitation of tax evasion by a “person associated” with the Relevant Body. There is a defence to the charge if the Relevant Body can show that it had in place “reasonable prevention procedures” at the time the facilitation took place.

In light of the above, Shareholders in the Funds and, in some cases their financial intermediaries, may be required to provide certain information (including personal information) to the ACD/Manager to enable the Company and its Funds to comply with the terms of the UK law. Where a Shareholder fails to provide any requested information (regardless of the consequences), the Company and its Funds reserve the right to take any action and/or pursue all remedies at its disposal to avoid any resulting sanctions including, without limitation, compulsory redemption or withdrawal of the Shareholder concerned.

**The foregoing statements are based on UK law and HMRC practice as known at the date of this Prospectus and are intended to provide general guidance only. These statements relate only to Shareholders that are resident in the UK for tax purposes and beneficially hold their Shares as an investment. The tax position may be different for other Shareholders, and certain types of Shareholder (such as life insurance companies) may be subject to specific rules. Shareholders and applicants for Shares are recommended to consult their tax advisors regarding the possible implications of these rules on their investments in any Fund.**

## 11. **Meetings of Shareholders, Voting Rights and Service of Notices**

In this section "relevant Shareholder" in relation to a general meeting of Shareholders means a person who is a Shareholder on the date seven days before the notice of that general meeting is sent out but excludes any person who is known to the ACD not to be a Shareholder at the time of the general meeting.

### 11.1 **Service of Notice to Shareholders**

Any notice or documents will be served on Shareholders in writing by post to the Shareholder's postal address as recorded in the Register.

### 11.2 **Convening and Requisition of Meetings**

The ACD or the Depositary may convene a general meeting of Shareholders at any time.

There will be no annual general meetings for the Company.

Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must be deposited at the head office of the Company, state the objects of the meeting, be dated and be signed by Shareholders who, at the date of the requisition, are registered as holding not less than one-tenth in value of all Shares then in issue. The ACD must convene a general meeting of Shareholders for a date no later than eight weeks after the receipt of the requisition.

### 11.3 **Notice and Quorum**

All relevant Shareholders will be given at least 14 days' notice of a general meeting of Shareholders and, except as mentioned below, are entitled to be counted in the quorum and vote at such meeting either in person or by proxy or, in the case of a body corporate, by a duly authorised representative. The quorum for a meeting is two Shareholders, present in person or by proxy or, in the case of a body corporate, by a duly authorised representative.

### 11.4 **Voting Rights**

At a meeting of Shareholders, on a show of hands every relevant Shareholder who (being an individual) is present in person or (being a body corporate) is present by its representative properly authorised in that regard has one vote.

On a poll vote, a relevant Shareholder may vote either in person or by proxy or, in the case of a body corporate, by a duly authorised representative. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue as the price of the Share bears to the aggregate price(s) of all the Shares in issue at the date seven days before the notice of meeting is sent out.

A relevant Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

Except where the FCA Rules or the Instrument of Incorporation require an extraordinary resolution (which needs 75% of the votes validly cast at the meeting to be in favour in order

for the resolution to be passed), any resolution required by the FCA Rules or the OEIC Regulations will be passed by a simple majority of the votes validly cast for and against the resolution.

In the case of joint holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register.

The ACD may not be counted in the quorum for, and neither the ACD nor any associate (as defined for the purposes of the FCA Rules) of the ACD is entitled to vote at, any meeting of Shareholders except in respect of Shares which the ACD or associate holds on behalf of or jointly with a person who, if himself the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

Where a resolution (including an extraordinary resolution) is required to conduct business at a meeting of Shareholders and every Shareholder is prohibited under the FCA Rules from voting, a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 50% or more, or for an extraordinary resolution 75% or more, of the Shares in issue.

#### **11.5 Class Meetings and Fund Meetings**

The provisions described above, unless the context otherwise requires, apply both to Class meetings and to meetings of holders of Shares relating to a particular Fund as they apply to general meetings of Shareholders but by reference to Shares of the Class or relating to the relevant Fund and the holders and prices of such Shares.

#### **11.6 Variation of Class Rights**

The rights attached to a Class or a Fund may only be varied in accordance with the FCA Rules.

#### **11.7 Notifying Shareholders of Changes**

The ACD is required to seek Shareholder approval to, or notify Shareholders of, various types of changes to the Funds. The form of notification, and whether Shareholder approval is required, depends upon the nature of the proposed change.

A fundamental change is a change or event which changes the purpose or nature of a Fund, which may materially prejudice a Shareholder; or alter the risk profile of the Fund; or which introduces any new type of payment out of the Scheme Property of the Fund. For fundamental changes, the ACD must obtain Shareholder approval, normally by way of an extraordinary resolution (which needs 75% of the votes cast to be in favour if the resolution is to be passed).

A significant change is a change or event which is not fundamental but which affects a Shareholder's ability to exercise his rights in relation to his investment; which would reasonably be expected to cause the Shareholder to reconsider his participation in a Fund; or which results in any increased payments out of the Fund to the ACD or its associates; or which materially increases payments of any other type out of a Fund. The ACD must give reasonable prior notice (not less than sixty days) in respect of any such proposed significant change.

A notifiable change is a change or event of which a Shareholder must be made aware but, although not considered by the ACD to be insignificant, it is not a fundamental change or a significant change. The ACD must inform Shareholders in an appropriate manner and time scale of any such notifiable changes.

## 12. **Winding Up of the Company or Termination of any Fund**

The Company may only be wound up and a Fund may only be terminated under the FCA Rules or as an unregistered company under Part V of the Insolvency Act 1986.

The Company may be wound up or a Fund may be terminated under the FCA Rules:

- 12.1 if an extraordinary resolution to that effect is passed at a meeting of the Company or of the holders of Shares of all Classes relating to that Fund; or
- 12.2 if the period (if any) fixed for the duration of the Company or a particular Fund by the Instrument of Incorporation expires; or
- 12.3 if the event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up or a Fund is to be terminated – an example of such an event in relation to any Fund is the ACD deciding in its absolute discretion to terminate that Fund if after consultation with the Investment Adviser the Net Asset Value of the relevant Fund is considered not to be commercially viable or if a change in the laws or regulations of any country means that, in the opinion of the ACD, is desirable to terminate the Fund;
- 12.4 on the date of effect stated in any agreement by the FCA in response to a request by the ACD for the revocation of the authorisation order in respect of the Company or for the termination of the Fund;
- 12.5 on the effective date of a duly approved scheme of arrangement which is to result in the Company or in a Fund ceasing to hold any scheme property; or
- 12.6 in the case of the Company, on the date on which all of the Funds fall within (e) above or have otherwise ceased to hold any scheme property, notwithstanding that the Company may have assets and liabilities which are not attributable to any particular Fund.

Where the Company is to be wound up or a Fund is to be terminated under the FCA Rules, notice of the proposals for winding up the Company or terminating the relevant Fund must be given to the FCA for approval (or deemed approval). This notice cannot be given to the FCA unless the ACD provides a statement (following an investigation into the affairs of the Company) which either confirms that the Company will be able to meet all its liabilities within 12 months of the date of the statement or states that such confirmation cannot be given. The Company may not be wound up under the FCA Rules if there is a vacancy in the position of the ACD at the relevant time.

On the winding up or termination commencing:

- 12.7 COLL 5, COLL 6.2 and COLL 6.3 of the FCA Rules (which relate to the pricing of and dealing in Shares and to investment and borrowing powers respectively) will cease to apply to the Company or the relevant Fund;
- 12.8 the Company will cease to issue and cancel Shares of all Classes or (where a particular Fund is to be terminated) Shares of all Classes relating to that Fund and the ACD will cease to sell or redeem such Shares or arrange for the Company to issue or cancel them;

- 12.9 no transfer of a Share or (where a particular Fund is to be terminated) a Share in that Fund will be registered and no other change to the Register will be made without the sanction of the ACD; and
- 12.10 where the Company is being wound up, the Company will cease to carry on its business except in so far as may be required for the beneficial winding up of the Company;
- 12.11 the corporate status and powers of the Company and (subject as mentioned above) the ACD shall continue until the Company is dissolved.

The ACD shall, as soon as practicable after the Company falls to be wound up or a Fund falls to be terminated, realise the assets of the Company or (as the case may be) the relevant Fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up or termination, may make one or more interim distributions of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property of the Company or the relevant Fund. On or prior to the date on which the final account is sent to Shareholders, the ACD will also make a final distribution to Shareholders of any remaining balance in the same proportions as mentioned above.

Following the completion of the winding up of the Company or the termination of a Fund, the Depositary must notify the FCA of that fact.

Following the completion of a winding up of the Company or the termination of a Fund, the ACD must prepare a final account showing how the winding up or termination was conducted and how the Scheme Property was disposed of. The auditors of the Company will make a report in respect of the final account and will state their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder within four months of the final accounting period.

## 13. Risk Factors

Potential investors in the Heriot Global Fund and the Heriot Global Smaller Companies<sup>4</sup> Fund should consider the following risk factors before investing in the Fund. Such factors apply directly to the Fund in connection with investments it holds or strategies in it.

The risk factors in each section are arranged in order of relevance and importance and it is recommended that they are read and understood before an investment is made.

### 13.1 Risks Specific to the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>4</sup>

#### 13.1.1 Charges

For the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>4</sup>, charges are to be deducted from capital which may constrain capital growth.

### 13.2 General Risk Factors applicable to each Fund

#### 13.2.1 Market risk

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in any Fund. There is no certainty that the investment objective of any of the Funds will actually be achieved and no warranty or representation is given to this effect.

In certain circumstances, you will have the right to cancel your initial investment. However, it should be noted that cancellation may mean that you do not receive back the full amount invested if the value of the investment falls before a cancellation notice is acted on.

#### 13.2.2 Performance risk

The performance and risk levels of the Funds will vary according to individual fund selections. There is no guarantee for the performance level of the Funds and no guarantees are given by third parties. Past performance is not a reliable indicator of future results.

#### 13.2.3 Dilution

A dilution adjustment may be charged on the purchase or sale of shares in certain circumstances. Where this is not applied the Fund in question may incur dilution, which may constrain capital growth.

Whilst the impact of dilution will be reduced by the application of a dilution adjustment, under certain market conditions it may be difficult to buy or sell

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<sup>4</sup> Please note that this Fund is no longer available for investment.

investments for the Fund. As a result, it may not be possible to buy or sell certain investments at the last market price quoted or fair value. As a consequence, the activity by other investors buying and/or selling Shares in a Fund may have an indirect impact on the Fund's value. This may be due to timing differences between the Valuation Point of the Fund and the time at which any underlying holdings can be bought or sold to invest or disinvest the cash flows. In exceptional circumstances, the issue, cancellation, sale and repurchase of Shares may be suspended where the ACD and/or Depositary believe it is in the interests of existing or potential investors to do so.

#### 13.2.4 **Currency Exchange Rates**

The movements of exchange rates may lead to changes in the value of investments and the income from such investments.

#### 13.2.5 **Emerging Markets**

A proportion of the Funds can be invested in the Emerging Markets regions. Investment may carry risks associated with failed or delayed settlement of market transactions and with registration and custody of securities. Investing in Emerging Markets may involve a higher than average risk and may not afford the same level of investor protection as would apply in more developed jurisdictions.

#### 13.2.6 **Capital risk**

If an investor makes withdrawals, the performance of the Funds may not be sufficient to cover the payments and investors may suffer some capital erosion.

#### 13.2.7 **Yield**

The level of any yield may be subject to fluctuations and is not guaranteed.

#### 13.2.8 **Inflation risk**

Inflation may occur over the duration of your investment, and will affect the future buying power of your capital.

#### 13.2.9 **Counterparty risk**

There is a risk that an issuer or counterparty will default by failing to make payments due, or failing to make payments in a timely manner, which would adversely affect the value of investments.

#### 13.2.10 **Settlement risk**

A settlement in a transfer system may not take place as expected due to a failure of that transfer system or because a counterparty does not pay or deliver on time as expected.

#### 13.2.11 **Liquidity risk**

In normal market conditions a Fund's assets comprise mainly realisable investments which can be readily sold. The Fund manages its investments, including cash, such that it can meet its liabilities as they fall due. Investments held may need to be sold if insufficient cash is available to finance any shareholder redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that the price at which investments are sold may be lower than under normal market conditions which would adversely affect the Net Asset Value of the Fund.

#### 13.2.12 **Regular Savings Plan**

If you start your regular savers plan in order to build up a particular sum by a certain date this target may not be achieved if the investment value does not grow as expected, or if you fail to maintain your contributions.

#### 13.2.13 **Taxation**

Tax laws currently in place may change in the future which could affect the value of a Shareholder's investments. See above for further details about taxation of the Company.

Currently, the Company relies extensively on tax treaties between the United Kingdom and other countries to reduce domestic rates of withholding tax being applied on income arising where the Company holds underlying assets in those countries. A risk exists that these treaties may change or that tax authorities may change their position on the application of a relevant tax treaty.

As a consequence, any such change (i.e. the imposition of, or increase in, withholding tax in that foreign jurisdiction) may result in higher rates of tax being applied to income from underlying investments and this may have a negative effect on the returns to the Company and its investors.

In addition, under some treaties, the rate of withholding tax applied to the Company may be affected by the tax profiles of investors in the Company. This is because such treaties may require a majority of investors in the Company to be resident in either the UK or another specified jurisdiction as a condition of relief.

Failing to satisfy this test may also result in increased withholding tax and therefore a negative effect on the returns to the Company and its investors.

Statements on taxation are based on the current position in the UK as at the time of publication. The value of investments could alter as a result of future legislation. There can be no guarantee that the tax position prevailing at the time of investment will endure indefinitely. There may also be other taxes applicable to the investment and any shareholder or potential investor in doubt as to their tax position should take professional advice.

#### 13.2.14 **Political/ regulatory risk**

The value of the assets of the Funds may be affected by uncertainties such as international political developments, changes in government policies, restrictions in foreign investment and other developments in the laws and regulations of countries in which investment may be made.

#### 13.2.15 **Derivatives**

The Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>5</sup> will not use derivatives.

#### 13.2.16 **Bonds**

The Funds may hold, either directly or via other collective investment schemes, higher yielding bonds where there is an increased risk of capital erosion through default or if the redemption yield is below the income yield. The Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>5</sup> will not invest in Bonds.

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer.

Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent.

#### 13.2.17 **Custody**

Assets of the Funds are held in safe keeping by an independent custodian. There is a risk that the Global Sub-Custodians are not able to fully meet its obligation to retribute all of the assets of the Funds in a short time frame in the case of bankruptcy of the Global Sub-Custodians. Securities of the Funds are required to be identified in the Global Sub-Custodian's books as belonging to the Fund and segregated from other assets of the Global Sub-Custodians which mitigates, but does not exclude, the risk of non-restitution in case of bankruptcy. The Global Sub-Custodians do not necessarily keep all the assets of the Funds itself but has the ability to use a network of Sub-custodians which are not necessarily part of the same group of companies as the Global Sub-Custodians. Investors are therefore exposed to the risk of bankruptcy of the Sub-custodians in the same manner as they are to the risk of bankruptcy of the Global Sub-Custodians. A Fund may also invest in overseas markets where custodial and/or settlement systems are not fully developed. The assets of the Funds that are traded in such markets and which have been entrusted to such Sub-custodians may be exposed to risk in circumstances where the Global Sub-Custodians will have no liability. The risk of

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<sup>5</sup> Please note that this Fund is no longer available for investment.

non-restitution in the case of bankruptcy is therefore greater where investments are made in overseas markets. No such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy.

#### 13.2.18 **Concentration**

If a Fund invests in a concentrated portfolio of assets, short-term volatility could be relatively high which means that should a particular investment decline in value or is adversely affected it may have a more pronounced effect than if the Fund held a larger number of investments. Short-term volatility could be relatively high for a concentrated portfolio compared to a less-concentrated portfolio.

#### 13.2.19 **ISA specific risks:**

The value of tax benefits depends on individual circumstances.

If an investor redeems or exercises the right to cancel an ISA they will irrevocably lose any favourable tax treatment associated with the ISA holding.

For ISA transfers, there is potential for a loss of income or growth, following a rise in the markets, whilst we await receipt of the ISA transfer from the current provider.

ISAs are subject to Government legislation and as such their tax benefits and investment levels may be changed in the future.

#### 13.2.20 **Investment strategy**

The investment strategy followed by the Investment Manager in respect of the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>6</sup> involves investing in global equities. The value of equity securities have been volatile in the last few years, due to economic and market conditions. This volatility may continue in the future therefore the Fund should be viewed as a long-term investment only and appropriate only for those investors who can assess the risks and potential rewards and who can bear any resulting losses.

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<sup>6</sup> Please note that this Fund is no longer available for investment.

## 14. **General Information**

### 14.1 **Baseline Exclusion Criteria**

The Investment Adviser is a signatory to the Principles for Responsible Investment (PRI), a United Nations-supported international network of financial institutions working together to implement its six aspirational principles, including incorporating environmental, social and corporate governance issues into investment analysis and decision-making processes. The Investment Adviser has developed certain criteria to avoid or to limit exposure to certain companies or sectors that it does not believe align to these principles or which do not adhere to standards of minimum acceptable behaviour and which are outside its investment framework. This applies to all assets managed by the Company. The Baseline Exclusion Criteria may change over time and are reviewed as required. They may be amended without Shareholder pre-notification.

Should existing holdings in a Fund, that were compliant at the time of investment, subsequently become or have become ineligible under the Baseline Exclusion Criteria, they will be divested within a reasonable period of time.

Further information on the Investment Adviser's stewardship activities including the list of exclusions and its RI Transparency Report can be found on the Investment Adviser's website at:

<https://www.dundasglobal.com/stewardship>

### 14.2 **Order Execution information**

In accordance with the Conduct of Business Rules Sourcebook, published by the FCA as part of its Handbook of Rules, the ACD needs to put in place arrangements to execute orders most favourable to and in the interests of the Company.

As set out above, the ACD has delegated the investment management to the Investment Adviser, who in turn executes decisions to deal on behalf of the Funds. The Investment Adviser must, in accordance with the FCA's Handbook of Rules, establish and implement an order execution policy to allow it to obtain the best possible results when executing client orders in accordance with the obligations under those rules.

Details of the best execution policy are available from the ACD on request.

### 14.3 **Voting Rights Strategy**

In accordance with the FCA Rules, the ACD must develop strategies for determining when and how voting rights of assets held within the Scheme Property are to be exercised ("Voting Rights Strategy"). A summary copy of the ACD's Voting Rights Strategy, together with details of the actions which the ACD has taken on the basis of those strategies are available, free of charge, from the ACD by telephoning +44 (0)345 922 0044 or by writing to 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

### 14.4 **Documents Available for Inspection**

Copies of this Prospectus, Instrument of incorporation, and the most recent annual and half-yearly reports may be inspected at, and obtained from, the ACD at 3rd Floor Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL during normal business hours on any Business Day. In addition, most of these documents are available at [www.waystone.com](http://www.waystone.com). The Registrar will also provide upon request, copies of the ACD Agreement between the ACD and the Company. Upon written request the ACD will provide further information relating to:

- 14.4.1 the quantitative limits applying to the risk management of each Fund;
- 14.4.2 the methods used in relation to the risk management of each Fund; and
- 14.4.3 any recent developments of the risk and yields of the main categories of each Fund's investments.

#### 14.5 **Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

- 14.5.1 the ACD Agreement regulating the relationship between the Company and the ACD; and
- 14.5.2 the depositary agreement regulating the relationship between the Company, the ACD and the Depositary;

Information regarding those contracts is set out above under the heading "Management and Administration".

#### 14.6 **EU Benchmark Regulation**

The EU Benchmark requires the ACD to produce and maintain robust written plans setting out the actions it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Funds are not tracker funds and neither the Investment Manager, ACD or the Funds are a "user" of a benchmark for the purposes of the EU Benchmark Regulation. Further information is available on request.

Updated information, if required, as to whether any benchmark for the Funds is provided by an administrator included in the FCA's register of benchmark administrators will be available from 1 January 2020.

#### 14.7 **Telephone Recordings**

Please note that the ACD and the Investment Adviser will take all reasonable steps to record telephone conversations, and keep a copy of electronic communications, that relate to instructions to deal in the Company or the management of the assets of the Company. Telephone calls may be recorded for security or regulatory purposes and may be monitored under Waystone Management (UK) Limited's quality control procedures.

#### 14.8 **Complaints**

All complaints will be handled in accordance with the ACD's internal complaint handling procedures. A copy of the ACD's guide to making a complaint is available on the Waystone Management (UK) Limited website at [www.waystone.com](http://www.waystone.com).

In the event that an unsatisfactory response is provided, you can refer your complaint to the Financial Ombudsman Service at: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Information about the Financial Ombudsman can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

In the event of the ACD being unable to meet its liabilities to Shareholders, details about rights to compensation can be found at [www.fscs.org.uk](http://www.fscs.org.uk).

## Appendix A

### Eligible Markets

Markets which are regulated markets (as defined for the purposes of the FCA Rules) or which are markets established in the United Kingdom or any EEA State which are regulated, operate regularly and are open to the public are eligible markets for all Funds.

A list of those other eligible securities markets and eligible derivatives markets for each Fund is set out below. A securities or derivatives market may be added to any of those lists in accordance with the FCA Rules.

#### Other Eligible Securities Markets

Australia	Australian Securities Exchange
Brazil	B3
Canada	Toronto Stock Exchange TSX Venture Exchange
China	Shenzhen Stock Exchange Shanghai Stock Exchange
Hong Kong	Hong Kong Exchanges and Clearing Limited
India	BSE Ltd National Stock Exchange of India Ltd
Indonesia	Indonesia Stock Exchange
Israel	Tel Aviv Stock Exchange
Japan	Tokyo Stock Exchange
Korea	Korea Exchange
Malaysia	Bursa Malaysia
Mexico	Mexican Stock Exchange
New Zealand	NZX Limited
Singapore	Singapore Exchange
South Africa	JSE Limited
Switzerland	SIX Swiss Exchange
Taiwan	Taiwan Stock Exchange
Thailand	The Stock Exchange of Thailand
Turkey	Borsa Istanbul
United Arab Emirates	Abu Dhabi Securities Exchange
United Kingdom	Alternative Investment Market (AIM)
United States of America	New York Stock Exchange NASDAQ Stock Market NYSE American

**Other Eligible Derivatives Markets**

(Not currently applicable)

## Appendix B

### Investment and Borrowing Powers of the Company

This Appendix sets out a summary of the investment and borrowing powers applicable in terms of the FCA Rules to each Fund as they apply to UK UCITS schemes.

The Scheme Property of each of the Funds will be invested with the aim of achieving the investment objective of that Fund but subject to the limits on investment set out in COLL 5 of the FCA Rules.

Cash and near cash may be held in the Scheme Property to the extent that this may reasonably be regarded as necessary to enable the pursuit of the Fund's investment objectives, shares to be redeemed, efficient management of that Fund in accordance with its investment objectives or other purposes which may reasonably be regarded as ancillary to the investment objectives of that Fund.

The ACD's policy is to make use of the flexibility to hold cash and near cash, as the Investment Adviser considers appropriate.

The following is a summary of the investment limits under the FCA Rules which currently apply to each Fund:

1. the Scheme Property of a Fund must, except where otherwise provided in COLL 5 of the FCA Rules, only consist of any or all of:
  - 1.1. transferable securities (including warrants);
  - 1.2. approved money market instruments (see point 20 below);
  - 1.3. permitted derivatives and forward transactions (see below);
  - 1.4. permitted deposits (see point 21 below);
  - 1.5. permitted collective investment scheme units (see point 16 below).
    - 1.5.1. Transferable securities and approved money market instruments must, subject to points 2 and 3 below, be admitted to or dealt on an eligible market or, (i) in the case of an approved money market instrument which is not so admitted or dealt, be within (b) of point 20 below, or (ii) in the case of transferable securities be recently issued provided the terms of the issue include an undertaking that application will be made to be admitted to an eligible market and such admission is secured within a year of issue.
    - 1.5.2. The eligible markets for each Fund are listed in Appendix A. New eligible markets may be added to those lists in the manner described in that Appendix.
2. not more than 10% of the Net Asset Value of the Scheme Property of a Fund may consist of transferable securities which do not fall within point 1A above and approved money market instruments which do not fall within point 20 below;

3. not more than 5% of the Net Asset Value of the Scheme Property of the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>7</sup> may consist of transferable securities which are warrants. Call options are not deemed to be warrants for the purposes of this 5% restriction;
4. for the purposes of points 5 to 10 below, companies included in the same group for the purposes of consolidated accounts, as defined in accordance with section 399 of Companies Act 2006, Directive 2013/34/EU or in the same group in accordance with international accounting standards are regarded as a single body;
5. not more than 20% of the Net Asset Value of the Scheme Property of a Fund may consist of deposits with a single body;
6. not more than 5% of the Net Asset Value of the Scheme Property of a Fund may consist of transferable securities or approved money market instruments issued by any single body, except that (i) the figure of 5% may be increased to 10% in respect of up to 40% of the Net Asset Value of the Scheme Property of a Fund and (ii) the figures of 5% may be increased to 25% in respect of covered bonds provided that when a Fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds must not exceed 80% of the Net Asset Value of the Scheme Property of a Fund. Certificates representing certain securities are treated as equivalent to the underlying security;
7. the exposure to any one counterparty in an over the counter derivative transaction must not exceed 5% of the Net Asset Value of the Scheme Property of a Fund (10% where the counterparty is an approved bank);
8. not more than 20% of the Net Asset Value of the Scheme Property of a Fund is to consist of transferable securities and approved money market instruments issued by the same group (as referred to in point 4 above);
9. not more than 20% of the Net Asset Value of the Scheme Property of a Fund is to consist of the units of any one collective investment scheme. For this purpose, each sub-fund of an umbrella scheme is treated as a separate scheme. Neither the Heriot Global Fund nor the Heriot Global Smaller Companies Fund<sup>7</sup>, will consist of units in collective investment schemes;
10. in applying the limits in points 5, 6, and 7, and subject to point 6(ii) above, not more than 20% of the Net Asset Value of the Scheme Property of a Fund is to consist of any combination of two or more of the following: (a) transferable securities (including covered bonds) or approved money market instruments issued by; or (b) deposits made with; or (c) exposures from over the counter derivatives transactions made with; a single body. Notwithstanding point 11 below and subject to points 12 and 13 below, in applying this 20% limit with respect to a single body, government and public securities issued by that body shall be taken into account;
  - 10.1. for the purpose of calculating the limits in points 7 and 10:
    - 10.1.1. the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets certain conditions specified in COLL 5.6.7R(8) of the FCA Rules; and

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<sup>7</sup> Please note that this Fund is no longer available for investment.

10.1.2. OTC derivative positions with the same counterparty may be netted provided that the ACD is able to legally enforce the netting agreements on behalf of the Company and those agreements do not apply to any other exposures that the Company may have with the same counterparty.

11. the limitations referred to in points 5 to 10A above do not apply to government and public securities;
12. up to 35% of the Net Asset Value of the Scheme Property of a Fund may be invested in government and public securities issued by any one body, in which case there is no limit on the amount which may be invested in such securities or in any one issue;
13. more than 35% of the Net Asset Value of the Scheme Property of a Fund can be invested in government and public securities issued by any one body provided that (a) the ACD has, before any such investment is made, consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Fund; (b) no more than 30% of the Net Asset Value of the Scheme Property of that Fund consists of such securities of any one issue; (c) the Scheme Property of that Fund includes such securities issued by that or another issuer of at least six different issues and (d) certain details have been disclosed in the Instrument of Incorporation and Prospectus;
14. the table below sets out (i) the Funds in respect of which point 13 above is applicable and (ii) the names of the States, local authorities and public international bodies ("the issuers") issuing government and public securities in which each such Fund may invest over 35% of its assets (if any):

Fund	Issuer
Heriot Global Fund	Not applicable
Heriot Global Smaller Companies Fund <sup>8</sup>	Not applicable

15. in and for the purposes of points 12, 13 and 14 above, "issue", "issued" and "issuer" include "guarantee", "guaranteed" and "guarantor" and an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material term to the issue;
16. not more than 30% of the Net Asset Value of the Scheme Property of a Fund can be invested in collective investment schemes within (a)(ii) to (iv) below. **As stated at point 8 above, the Scheme Property of the Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>8</sup> will not consist of units in collective investment schemes.** A Fund can only invest in another collective investment scheme if that other scheme:
- 16.1. is a scheme which (i) is a UK UCITS, or satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; (ii) is a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided that the requirements of COLL 5.2.13AR of the FCA Rules are met); (iii) is authorised as a non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) of the FCA Rules are met); (iv) is authorised in an EEA State (provided the requirements of the said COLL 5.2.13AR are met); or (v) is authorised by the competent authority of an OECD member country (other than another EEA state) which has signed the

<sup>8</sup> Please note that this Fund is no longer available for investment.

IOSCO Multilateral Memorandum of Understanding and which has approved the scheme's management company, rules and depositary/custody arrangements (provided the requirements of the said COLL 5.2.13AR are met); and

- 16.2. complies with the rules, where relevant, with COLL 5.2.15R of the FCA Rules on investment in associated collective investment schemes) and COLL 5.2.16R of the FCA Rules on investment other group schemes (see point 18 below); and
- 16.3. has terms prohibiting more than 10% of the Net Asset Value of its Scheme Property consisting of units in collective investment schemes.

For this purpose each sub-fund of an umbrella scheme is treated as a separate scheme;

- 16.3.1. the Scheme Property attributable to a Fund may include Shares in another Fund of the Company (the "Second Fund") subject to the requirements of point 16B below;

- 16.3.2. a Fund may invest in or dispose of Shares of a "Second Fund" provided that:

- (a) The Second Fund does not hold Shares in any other Fund of the Company;
- (b) The requirements set out at point 18 below are complied with; and
- (c) Not more than 35% in value of the Scheme Property of the investing or disposing Fund is to consist of Shares in the Second Fund;

- 17. points 5 to 14 above do not apply until the expiry of a period of 6 months after the effective date of the authorisation order of the Fund (or the date on which the initial offer commenced (if later)) provided that the rules on a prudent spread of risk are complied with;

- 18. a Fund may invest in other collective investment schemes managed or operated by, or which have, as their authorised corporate director, the ACD or an associate of the ACD provided that the provisions of the FCA Rules regarding investment in such schemes are complied with;

- 19. transferable securities or approved money market instruments on which any sum is unpaid may be held only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund at the time when the payment is required without contravening the FCA Rules;

- 20. a Fund may invest in approved money market instruments which are dealt in on the money market, are liquid and whose value can be accurately determined at any time, provided:

- 20.1. the approved money market instrument is admitted to or dealt on an eligible market; or

- 20.2. the issue or issuer of the approved money market instrument is regulated for the purpose of protecting investors and savings and the money market instrument is:

- 20.2.1. issued or guaranteed by a central, regional or local authority, a central bank of an EEA State, the Bank of England, the European Central Bank, the European Union or the European Investment Bank, a non-EEA State or, in the case of a Federal

State, by one of the members making up the federation, or by a public international body to which the United Kingdom or one or more EEA States belong; or

20.2.2. issued by a body, any securities of which are dealt in on an eligible market; or

20.2.3. issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law; or

20.3. it is another money market instrument with a regulated issuer and the FCA has given its express consent (in the form of a waiver) for a Fund to invest in it.

21. a Fund may invest in deposits only with an approved bank and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months; and

22. where the investment policy of the Fund is to replicate the composition of a relevant index, the Fund may invest up to 20% of the Net Asset Value of its Scheme Property in shares and debentures which are issued by the same body, which limit can be raised to 35% in respect of one body only and where justified by exceptional market conditions. The Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index where the investment objective of the Fund is to achieve a result consistent with the replication of an index rather than an exact replication. A relevant index is one which satisfies three criteria: the composition must be sufficiently diversified; the index must represent an adequate benchmark for the market to which it refers and the index must be published in an appropriate manner.

What would otherwise be a breach of any of the above limits will not be treated as such where it arises from the exercise of a right attributable to an investment acquired by a Fund in certain circumstances and the prior written consent of the Depositary is obtained to its exercise but, in that event and in the event of any breach of any of the above investment limits which was beyond the control of the ACD and the Depositary, the ACD must take such steps as are necessary to restore compliance with the relevant investment limits as soon as is reasonably practicable having regard to the interests of Shareholders in the relevant Fund and, in any event, within a period of six months (or, in the case of a derivatives or a forward transaction within 5 business days unless such period can be extended pursuant to the FCA Rules) after the date of discovery of the relevant circumstance.

23. **Derivatives and forward transactions**

Only certain types of derivatives and forward transactions can be effected for a Fund, namely:

23.1. transactions in approved derivatives (i.e. effected on or under the rules of an eligible derivatives market); and

23.2. permitted over the counter transactions in derivatives.

The underlying must consist of any or all of the following (to which the Fund is dedicated): permitted transferable securities; permitted approved money market instruments; permitted deposits; permitted derivatives; permitted collective investment scheme units; financial indices; interest rates; foreign exchange rates and currencies. A derivatives transaction must not cause the Fund to diverge from its stated investment objectives and must not be entered into if the intended effect is to create the

potential for an uncovered sale of one or more transferable securities, approved money market instruments, collective investment scheme units or derivatives.

The eligible derivatives markets for each Fund are listed in Appendix A and a new eligible derivatives market may be added to any of those lists in the manner described in that Appendix.

Any forward transactions must be with an eligible institution or an approved bank.

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits in points 5 – 14 above. Where a transferable security or approved money market instrument embeds a derivative, this must be taken into account for the purposes of complying with COLL 5.2 of the FCA Rules. Where the Fund invests in an index based derivative, provided the index is a relevant index as set out in point 22 above, and subject to the ACD taking account of the rules on prudent spread of risk, the underlying constituents of the index do not have to be taken into account for the purposes of the limits in points 5 – 14.

A derivatives or forward transaction which will or could lead to delivery of property for the account of the Fund may be entered into only if such property can be held by the Fund and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the FCA Rules.

Except in relation to deposits, no agreement by or on behalf of a Fund to dispose of Scheme Property or rights may be made unless the obligation to make the disposal (and any other similar obligation) could immediately be honoured by the Fund by delivery of property or the assignment (or, in Scotland, assignation) of rights and the property and rights are owned by the Fund at the time of the agreement.

Any transaction in an over the counter derivative must be:

- 23.3. in a future, option or contract for differences;
- 23.4. with an approved counterparty (namely an eligible institution, an approved bank or a person whose permission (including any requirements or limitations) as published in the Financial Services Register, permits it to enter into the transaction as a principal off-exchange, a CCP (as defined in the FCA Rules) that is authorised in that capacity for the purposes of EMIR (as defined in the FCA Rules), a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR or to the extent not already covered, a CCP supervised in a jurisdiction that (i) has implemented the relevant G20 reforms on over-the-counter derivatives to at least the same extent as the UK; and (ii) is identified as having done so by the Financial Stability Board in its summary report on progress in implementation of G20 financial regulatory reforms dated 25 June 2019);
- 23.5. on approved terms (i.e. the ACD carries out a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty at least daily; and can enter into one or more transactions to sell, liquidate or close out that transaction at any time, at its fair value);
- 23.6. capable of reliable valuation (i.e. if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value

the investment concerned with reasonable accuracy on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable or (if this is not available) on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology); and

- 23.7. subject to verifiable valuation (i.e. if throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out entirely by an appropriate third party independent of the counterparty at an adequate frequency in such a way that the ACD is able to check it or, by a department within the ACD which is independent from the department managing the Scheme Property and which is adequately equipped for the purpose).

The Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>9</sup> will not use derivatives.

#### 24. **Cover for transactions in derivatives and forward transactions**

Investments in derivatives and forward transactions may be made as long as the exposure to which the scheme is committed by that transaction itself is suitably covered from within its scheme property. A scheme is required to hold scheme property sufficient in value or amount to match the exposure arising from a derivative obligation to which the scheme is committed. In other words, the exposure must be covered globally.

The ACD must, calculate its global exposure on at least a daily basis, taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate positions. The ACD must ensure that the global exposure relating to derivatives and forward transactions do not exceed the net value of the scheme property of a Fund. There are currently 2 methods allowed under the FCA Rules for calculating global exposure:

- 24.1. the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the Net Asset Value of the Scheme Property of the Fund (the "commitment approach"); or
- 24.2. the market risk of the Fund, by way of the value at risk approach, being a measure of the maximum expected loss at a given confidence level over the specific time period.

The ACD decides on the method of calculating global exposure suitable for each Fund by taking into account the investment strategy; types and complexities of the derivatives and forward transactions used and the proportion of the Fund comprising derivatives and forward transactions.

The ACD may apply other calculation methods which are equivalent to the standard commitment approach.

#### 25. **Use of derivatives**

**The Heriot Global Fund and the Heriot Global Smaller Companies Fund<sup>9</sup> will not use derivative transactions for any purpose.**

#### 26. **Efficient Portfolio Management**

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<sup>9</sup> Please note that this Fund is no longer available for investment.

The ACD may utilise the Scheme Property of any Fund to enter into transactions for the purposes of Efficient Portfolio Management (“EPM”). Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives e.g. to hedge against price or currency fluctuations, dealt with or traded on an eligible derivatives market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The ACD must take reasonable care to ensure that the transaction is economically appropriate to the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the generation of additional capital or income with a risk level which is consistent with the risk profile of the relevant Fund and the risk diversification rules laid down in COLL. The exposure must be fully “covered” by cash and/or other property sufficient to meet any obligation to pay or deliver that could arise.

Permitted transactions are those that the ACD reasonably regards as economically appropriate to EPM, that is:

- Transactions undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates where the ACD reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or
- Transactions for the generation of additional capital growth or income for the relevant Fund by taking advantage of gains which the ACD reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
  - pricing imperfections in the market as regards the property which the relevant Fund holds or may hold; or
  - receiving a premium for the writing of a covered call option or a cash covered put option on property of the Fund which the Company is willing to buy or sell at the exercise price, or
- stock lending arrangements.

A permitted arrangement in this context may at any time be closed out.

Transactions may take the form of “derivatives transactions” (that is, transactions in options, futures or contracts for differences) or forward currency transactions. A derivatives transaction must either be in a derivative which is traded or dealt in on an eligible derivatives market (and effected in accordance with the rules of that market), or be an off-exchange derivative which complies with the relevant conditions set out in the FCA Rules, or be a “synthetic future” (that is a composite derivative created out of two separate options). Forward currency transactions must be entered into with counterparties who satisfy the FCA Rules. A permitted transaction may at any time be closed out.

All revenues arising from EPM transactions (including stock lending and repurchase and reverse repurchase arrangements, if any) will be returned to the Fund, net of direct and indirect operational costs.

#### **26.1. Stock lending and Underwriting**

The Company (or the Depositary at the request of the Company) may enter into repo or stock lending transactions in respect of any Fund. Briefly, such transactions are those where the

seller/lender sells/delivers securities which are the subject of the transaction in return for which it is agreed that securities of the same kind and amount should be resold/redelivered to the seller/lender at a later date and, at the time of initial delivery, the seller/lender receives collateral to cover against the risk of the future resale/redelivery not being completed. There is no limit on the Net Asset Value of the Scheme Property of any Fund which may be the subject of such transactions. Stock lending may be a part of the Efficient Portfolio Management process.

Such transactions must always comply with the relevant requirements of the Taxation of Chargeable Gains Act 1992 and the relevant requirements of the FCA Rules as amended from time to time.

Agreements and understandings with regard to the acceptance of placing commitments may also, subject to certain conditions set out in the FCA Rules, be entered into for the account of any Fund.

## 26.2. **Borrowing Powers**

The Company may, in accordance with the FCA Rules, borrow money from an eligible institution or approved bank (as defined for the purposes of the FCA Rules) for the use of any Fund on terms that the borrowing is to be repayable out of the Scheme Property of that Fund.

Borrowings must not be persistent. Each borrowing must be on a temporary basis and in any event must not be for a period exceeding three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

The ACD must ensure that a Fund's borrowing does not, on any business day, exceed 10% of the Net Asset Value of the Scheme Property of that Fund.

These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

## 27. **Investment Limits applicable to the Company as a whole**

There are some limits which apply to the Company as a whole:

27.1. The Company must not acquire:

- 27.1.1. transferable securities (other than debt securities) which do not carry a right to vote on any matter at a general meeting of the body corporate that issued them and which represent more than 10% of those securities issued by that body corporate;
- 27.1.2. more than 10% of the debt securities issued by any single body;
- 27.1.3. more than 25% of the units in a collective investment scheme; or
- 27.1.4. more than 10% of the approved money market instruments issued by a single body

but need not comply with those limits in b, c and d above if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

- 27.2. Neither the Heriot Global Fund nor the Heriot Global Smaller Companies Fund<sup>10</sup>, will consist of units in collective investment schemes.
- 27.3. The Company may only acquire transferable securities issued by a body corporate carrying rights to vote at a general meeting of that body corporate if the aggregate number of such securities held by the Company does not give the Company power significantly to influence the conduct of business of that body corporate immediately before the acquisition and the acquisition will not give Company such power. The power significantly to influence is assumed if such securities allow the Company to exercise or control the exercise of 20% or more of the voting rights in that body corporate.

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<sup>10</sup> Please note that this Fund is no longer available for investment.

## Appendix C

### Determination of Net Asset Value

#### Calculation of the Net Asset Value

The Net Asset Value of the scheme property of the Company or Fund (as the case may be) shall be the value of its assets less the value of its liabilities and shall be determined in accordance with the following provisions:

1. all the scheme property (including receivables) is to be included, subject to the following provisions;
2. property which is neither an asset dealt with in paragraphs 3 to 4.3 (inclusive) below shall be valued as set out below and the prices used shall (subject as set out below) be the most recent prices which it is practicable to obtain:
  - 2.1. units or shares in a collective investment scheme:
    - 2.1.1. if a single price for buying and selling units or shares is quoted, at that price; or
    - 2.1.2. if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial or preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
    - 2.1.3. if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;
  - 2.2. any other transferable security:
    - 2.2.1. if a single price for buying and selling the security is quoted, at that price; or
    - 2.2.2. if separate buying and selling prices are quoted, at the average of the two prices; or
    - 2.2.3. if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the security, at a value which, in the opinion of the ACD, is fair and reasonable;
  - 2.3. property other than that described in sub-paragraphs 2.1 and 2.2 above, at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price;
3. cash and amounts held in current deposit and margin accounts and in other time-related deposits shall be valued at their nominal values;
  - 3.1. approved money market instruments which have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk, shall be valued on an amortised cost basis;

4. exchange-traded derivative contracts:
  - 4.1. if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
  - 4.2. if separate buying and selling prices are quoted, at the average of the two prices;
  - 4.3. over-the-counter derivative contracts shall be valued on the basis of an up-to-date market valuation which the ACD and the Depositary have agreed is reliable or if this is not available, on the basis of a pricing model which the ACD and the Depositary have agreed;
5. all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case;
6. subject to paragraph 7 below, agreements for the unconditional sale or purchase of property (excluding futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options) which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if they are made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount;
7. all agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property;
8. deduct an estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) at that point in time including (as applicable and without limitation) any liability for capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax;
9. deduct an estimated amount for any liabilities payable out of the scheme property and any tax thereon, for this purpose treating periodic items as accruing from day to day;
10. deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings;
11. add an estimated amount for accrued claims for tax of whatever nature which may be recoverable;
12. add any other credits or amounts due to be paid into the scheme property;
13. add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received;
14. currencies or values in currencies other than base currency of the Company or (as the case may be) the designated currency of a Fund shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

## **Proportionate Interests**

1. If there is more than one Class in issue in respect of a Fund, the proportionate interests of each Class in the assets and income of the Fund shall be ascertained as follows:
  - 1.1. A notional account will be maintained for each Class. Each account will be referred to as a **"Proportion Account"**.
  - 1.2. The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time. The proportionate interest of a Class of share in the assets and income of a Fund is its "proportion".
  - 1.3. There will be credited to a Proportion Account:
    - the subscription money (excluding any initial or preliminary for the issue of Shares of the relevant Class);
    - that Class's proportion of the amount by which the Net Asset Value of the Fund exceeds the total subscription money for all Shares in the Fund;
    - the Class's proportion of the Fund's income received and receivable; and
    - any notional tax benefit under paragraph (v) below.
  - 1.4. There will be debited to a Proportion Account:
    - the redemption payment (including any exit or redemption charges payable to the ACD) for the cancellation of Shares of the relevant Class;
    - the Class's proportion of the amount by which the Net Asset Value of the Fund falls short of the total subscription money for all Shares in the Fund;
    - all distributions of income (including equalisation if any) made to Shareholders of that Class;
    - all costs, charges and expenses incurred solely in respect of that Class;
    - that Class's proportion of the costs, charges and expenses incurred in respect of that Class and one or more other Classes in the Fund, but not in respect of the Fund as a whole;
    - that Class's proportion of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole; and
    - any notional tax liability under paragraph (v).
  - 1.5. Any tax liability in respect of the Fund and any tax benefit received or receivable in respect of the Fund will be allocated between Classes in order to achieve, so far as possible, the same result as would have been achieved if each Class were itself a Fund so as not materially to prejudice any Class. The allocation will be carried out by the ACD after consultation with the Company's auditors.

- 1.6. Where a Class is denominated in a currency which is not the base currency of the Company, the balance on the Proportion Account shall be converted into the base currency of the Company in order to ascertain the proportions of all Classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.
- 1.7. The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Company to Shareholders or the other way round.
2. Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.
3. When Shares are issued thereafter each such Share shall represent the same proportionate interest in the property of the relevant Fund as each other Share of the same category and Class then in issue in respect of that Fund.
4. The Company shall allocate the amount available for income allocation (calculated in accordance with the FCA Rules) between the Shares in issue relating to the relevant Fund according to the respective proportionate interests in the property of the Fund represented by the Shares at the Valuation Point in question.
5. The Company may adopt a different method of calculating the proportionate interests of each Class in the assets and income of a Fund from that set out in this part of Appendix C provided that the Directors are satisfied that such method is fair to Shareholders and that it is reasonable to adopt such method in the given circumstances.
6. For Shares of each Class a smaller denomination share of that Class shall represent such proportion of a larger denomination share of that Class for the purposes of calculating the proportionate interests of such Shares in the assets and income of a Fund as the proportion which a smaller denomination share bears to a larger denomination share in accordance with this Prospectus and the Instrument of Incorporation.

## Appendix D

### Fund Details

<b>Name:</b>	Heriot Global Fund
<b>Product Reference Number (PRN):</b>	645054
<b>Investment Objective:</b>	The aim of the Fund is to provide a total return (the combination of capital growth and income), after all costs and charges have been taken, over the long term (which the Investment Adviser defines as a period of five years).
<b>Investment Policy:</b>	<p>The Investment Adviser aims to achieve the objective by pursuing a dividend and capital growth discipline; however, investors should be aware that capital invested is at risk and there is no guarantee the objective will be achieved over any time period.</p> <p>The Fund will invest at least 90% in listed global equities. As part of the equities exposure, the Fund may invest in Investment Trusts. To the extent that the Fund is not fully invested in listed equities, investments may be made in cash-like instruments, such as money market instruments, deposits, cash and near cash. Such investments are not intended to be more than 10% in aggregate of the value of the Fund.</p> <p>The companies selected have high levels of profitability and cash generation, consistent re-investment, low levels of debt and prudent governance. The Investment Adviser will perform research to identify shares in companies that provide this.</p> <p>The Fund is not constrained by a benchmark and will invest in shares of companies in any country and in any sector.</p> <p>The Fund will be actively managed and in selecting investments for the Fund, the Investment Adviser will take into account its Baseline Exclusion Criteria (as set out in section 14 of the Prospectus).</p> <p>The minimum investment amount and ranges referenced above may not apply under extraordinary market conditions. Examples of extraordinary market conditions include economic, political unrest or instability, world events leading to market instability, or any events which give rise to high downside risk. During such periods, the Fund may temporarily have substantial holdings in cash and cash equivalents.</p>
<b>Sustainability Labels:</b>	Sustainable investment labels help investors find products that have a specific sustainability goal. The Heriot Global Fund does not have a Sustainable Investment label because, whilst it considers sustainability factors, the Fund does not have a specific sustainability objective.
<b>Use of Derivatives, impact on risk profile and volatility:</b>	<b>The Fund will not use derivatives.</b>
<b>Investment in other Collective Investment Schemes:</b>	This Fund will not invest any of its Scheme Property in units or shares of collective investment schemes.
<b>Comparator Benchmark</b>	MSCI ACWI Index IA Global Sector
<b>Information Regarding Benchmark</b>	You may wish to compare the performance of the Fund against the MSCI ACWI Index (the "Index"). The Index contains over

	<p>2,500 global listed equities and is considered that overall this is the most representative benchmark for comparison Please note the Fund is not constrained by or managed to the Index. In particular, the Index is not used to dictate the weighting of assets held and the Fund may also invest in equities that are not contained in the Index. The benchmark return is quoted total return in GBP and net of fees.</p> <p>Shareholders may also wish to compare the Fund's performance against other funds within the IA Global Sector as that will give investors an indication of how the Fund is performing compared with others investing in a similar but not identical investment universe. As the sector aligns with the Fund's asset allocation, it is considered that this is an appropriate comparator.</p>														
<b>ISA:</b>	It is intended that the Fund will be managed so as to ensure that Shares in the Fund constitute qualifying investments for the purposes of the HM Revenue & Customs regulations governing Individual Savings Accounts as they apply from time to time.														
<b>Share Classes currently available as at the date of this Prospectus:</b>	<p>Class A Sterling accumulation shares</p> <p>Class A Sterling income shares</p> <p>Class B* Sterling accumulation shares</p> <p>Class B* Sterling income shares</p> <p>Class I** Sterling accumulation shares</p>														
<b>Minimum Initial Investment:</b>	<table border="1"> <tr> <td>Class A Sterling accumulation shares:</td> <td>£10,000</td> </tr> <tr> <td>Class A Sterling income shares:</td> <td>£10,000</td> </tr> <tr> <td>(save in the case of Class A shares for investors in the Regular Savings Plan)</td> <td></td> </tr> <tr> <td>Class B* Sterling accumulation shares:</td> <td>£7,000,000</td> </tr> <tr> <td>Class B* Sterling income shares:</td> <td>£7,000,000</td> </tr> <tr> <td>Class I** Sterling accumulation shares:</td> <td>£100,000,000</td> </tr> <tr> <td>Class I** Sterling income shares***:</td> <td>£100,000,000</td> </tr> </table>	Class A Sterling accumulation shares:	£10,000	Class A Sterling income shares:	£10,000	(save in the case of Class A shares for investors in the Regular Savings Plan)		Class B* Sterling accumulation shares:	£7,000,000	Class B* Sterling income shares:	£7,000,000	Class I** Sterling accumulation shares:	£100,000,000	Class I** Sterling income shares***:	£100,000,000
Class A Sterling accumulation shares:	£10,000														
Class A Sterling income shares:	£10,000														
(save in the case of Class A shares for investors in the Regular Savings Plan)															
Class B* Sterling accumulation shares:	£7,000,000														
Class B* Sterling income shares:	£7,000,000														
Class I** Sterling accumulation shares:	£100,000,000														
Class I** Sterling income shares***:	£100,000,000														
<b>Minimum Subsequent Investment:</b>	<table border="1"> <tr> <td>Class A Sterling accumulation shares:</td> <td>£1,000</td> </tr> <tr> <td>Class A Sterling income shares:</td> <td>£1,000</td> </tr> <tr> <td>(save in the case of Class A shares for investors in the Regular Savings Plan)</td> <td></td> </tr> <tr> <td>Class B* Sterling accumulation shares:</td> <td>£10,000</td> </tr> <tr> <td>Class B* Sterling income shares:</td> <td>£10,000</td> </tr> <tr> <td>Class I** Sterling accumulation shares:</td> <td>£10,000</td> </tr> <tr> <td>Class I** Sterling income shares***:</td> <td>£10,000</td> </tr> </table>	Class A Sterling accumulation shares:	£1,000	Class A Sterling income shares:	£1,000	(save in the case of Class A shares for investors in the Regular Savings Plan)		Class B* Sterling accumulation shares:	£10,000	Class B* Sterling income shares:	£10,000	Class I** Sterling accumulation shares:	£10,000	Class I** Sterling income shares***:	£10,000
Class A Sterling accumulation shares:	£1,000														
Class A Sterling income shares:	£1,000														
(save in the case of Class A shares for investors in the Regular Savings Plan)															
Class B* Sterling accumulation shares:	£10,000														
Class B* Sterling income shares:	£10,000														
Class I** Sterling accumulation shares:	£10,000														
Class I** Sterling income shares***:	£10,000														
<b>Minimum Holding:</b>	<table border="1"> <tr> <td>Class A Sterling accumulation shares:</td> <td>£10,000</td> </tr> <tr> <td>Class A Sterling income shares:</td> <td>£10,000</td> </tr> <tr> <td>(save in the case of Class A shares for investors in the Regular Savings Plan)</td> <td></td> </tr> </table>	Class A Sterling accumulation shares:	£10,000	Class A Sterling income shares:	£10,000	(save in the case of Class A shares for investors in the Regular Savings Plan)									
Class A Sterling accumulation shares:	£10,000														
Class A Sterling income shares:	£10,000														
(save in the case of Class A shares for investors in the Regular Savings Plan)															

	Class B* Sterling accumulation shares:	£7,000,000
	Class B* Sterling income shares:	£7,000,000
	Class I** Sterling accumulation shares:	£75,000,000
	Class I** Sterling income shares***:	£75,000,000
<b>Regular Savings Plan:</b>	Class A Sterling accumulation shares:	£50 per month
	Class A Sterling income shares:	£50 per month
<b>Minimum Partial Redemption:</b>	All share classes:	£1,000
<b>Preliminary Charge:</b>	Class A Sterling accumulation shares:	Nil
	Class A Sterling income shares:	Nil
	Class B Sterling accumulation shares:	n/a
	Class B Sterling income shares:	n/a
	Class I Sterling accumulation shares:	Nil
	Class I Sterling income shares***:	Nil
<b>Annual Management Charge:</b>	Class A Sterling accumulation shares:	0.65%
	Class A Sterling income shares:	0.65%
	Class B Sterling accumulation shares:	0.40%
	Class B Sterling income shares:	0.40%
	Class I Sterling accumulation shares:	0.25%
	Class I Sterling income shares***:	0.25%
<p>* The minimum investment levels may be waived at the ACD's discretion and do not apply to those holding shares in this Class as at 29 July 2019.</p> <p>**Class I shares are only available to those investors who have a specific agreement in place with the Investment Adviser or the ACD. The minimum investment levels may be waived at the Investment Adviser or ACD's discretion.</p> <p>*** Class I Sterling income shares currently not available</p>		
<b>Charges taken from income:</b>	No	
<b>Annual Accounting Period:</b>	1 June to 31 May	
<b>Interim Accounting Period(s):</b>	1 June to 30 November	
<b>Income Allocation Dates:</b>	1 June and 1 December	
	Note: these are the cut-off dates for income accrued during the relevant accounting period.	
<b>Income Distribution Dates:</b>	31 July and 31 January	
	Note: these are the dates on which income in respect of an accounting period is paid out (for income shares) or accumulated (for accumulation shares)	
<b>Additional power re government &amp; public securities:</b>	Not Applicable	
<b>Historic performance:</b>	See Appendix F.	
<b>Profile of typical investor:</b>	The Fund is designed for investors who plan to hold their	

	<p>investment for the long term (5 years or more). Potential investors should fully understand the additional risks associated with this particular asset class and be able to take a long-term view of any investment in the Fund.</p> <p>If you are uncertain whether these products are suitable for you, please contact a financial adviser.</p>
<p><b>Identified Target Market:</b></p>	<p>The following section sets out the type of clients for whose needs, characteristics and objectives the Fund is compatible.</p> <p><b>Type of client:</b> Given the nature of the Fund (a non-complex UCITS fund) the Fund is targeted towards advised and non-advised retail clients, professional clients and eligible counterparties.</p> <p><b>Knowledge and experience of client:</b> the Fund is compatible with those clients who have basic investment knowledge and experience, including knowledge of collective investment schemes and the asset classes in which the Fund may invest.</p> <p><b>Financial situation of client with a focus on the ability to bear losses:</b> As the value of the Fund can go down as well as up, the Fund is compatible for investors that can bear capital losses of up to the amount invested. However, the nature of the Fund means that there would be no loss beyond the amount of capital invested.</p> <p><b>Objectives and needs of client:</b> Those clients who seek a total return (the combination of income and capital growth), with an investment horizon of five years or more and for whom exposure to public equities is appropriate. The Fund is appropriate within a diversified portfolio including other non-equity assets,</p> <p><b>Clients who should not invest in the Fund (negative target market):</b> This product is deemed incompatible for investors who are:</p> <ul style="list-style-type: none"> <li>(i) seeking full or partial capital protection</li> <li>(ii) fully risk averse and have no or low tolerance for risk</li> </ul> <p><b>Distribution channels:</b> The Fund is eligible for all distribution channels (e.g. execution only, non-advised sales, advised sales and portfolio management).</p>

<b>Name:</b>	<b>Heriot Global Smaller Companies Fund<sup>11</sup></b>
<b>Product Reference Number ("PRN"):</b>	958215
<b>Investment Objective:</b>	The aim of the Fund is to provide capital appreciation over the long term (5 years or more).
<b>Investment Policy:</b>	<p>The Fund will invest at least 90% of its assets in shares of companies, globally.</p> <p>The Fund is not constrained by a benchmark and will invest in shares of companies in any country and in any sector. These will typically, at the time of initial purchase, have a market capitalisation that is no larger (by market capitalisation) than the largest company in the MSCI ACWI Small Cap Index (the "Index"). The Investment Adviser will monitor the market capitalisation of companies held and will, using its discretion, seek, at the timing of its choice, to dispose of those holdings where the company's market capitalisation has consistently outgrown that of the largest company in the Index.</p> <p>The companies selected have high levels of profitability and cash generation, consistent re-investment, and low levels of debt. The Investment Adviser will perform research to identify shares in companies that provide this. To the extent that the Fund is not fully invested in listed equities, investments may be made in cash-like instruments, such as money market instruments, deposits, cash and near cash. Such investments are not intended to be more than 10% in aggregate of the value of the Fund.</p> <p>The Fund will be actively managed and in selecting investments for the Fund, the Investment Adviser will take into account its Baseline Exclusion Criteria (as set out in section 13 of the Prospectus).</p>
<b>Sustainability Labels:</b>	Sustainable investment labels help investors find products that have a specific sustainability goal. The Heriot Global Smaller Companies Fund does not have a Sustainable Investment label because, whilst it considers sustainability factors, the Fund does not have a specific sustainability objective.
<b>Use of Derivatives, impact on risk profile and volatility:</b>	<b>The Fund will not use derivatives.</b>
<b>Investment in other Collective Investment Schemes:</b>	This Fund will not invest any of its Scheme Property in units or shares of collective investment schemes.
<b>Comparator Benchmark</b>	You may wish to compare the performance of the Fund against the MSCI ACWI Small Cap Index (the "Index"). The Index captures small cap representation across a number of developed market countries; and has a considerable number of constituents, covering approximately 14% of the free float-adjusted market capitalization in each country. It is considered that overall this is the most representative benchmark for comparison purposes. Please note the Fund is not constrained by or managed to the Index. In particular, the Index is not used to dictate the weighting of assets held and the Fund may also invest in equities that are not contained in the Index.

<sup>11</sup> Please note that this Fund is no longer available for investment.

<b>ISA:</b>	It is intended that the Fund will be managed so as to ensure that Shares in the Fund constitute qualifying investments for the purposes of the HM Revenue & Customs regulations governing Individual Savings Accounts as they apply from time to time.	
<b>Share Classes currently available as at the date of this Prospectus:</b>	Class A Sterling accumulation shares Class A Sterling income shares Class B* Sterling accumulation shares Class B* Sterling income shares Class I* Sterling accumulation shares Class I* Sterling income shares	
<b>Minimum Initial Investment:</b>	Class A Sterling accumulation shares:	£10,000
	Class A Sterling income shares: (save in the case of Class A Shares for investors in the Regular Savings Plan)	£10,000
	Class B* Sterling accumulation shares:	£100,000,000
	Class B* income shares:	£100,000,000
	Class I* Sterling accumulation shares:	£1,000,000
	Class I* Sterling income shares:	£1,000,000
<b>Minimum Subsequent Investment:</b>	Class A Sterling accumulation shares:	£1,000
	Class A Sterling income shares: (save in the case of Class A shares for investors in the Regular Savings Plan)	£1,000
	Class B* Sterling accumulation shares:	£10,000
	Class B* Sterling income shares:	£10,000
	Class I* Sterling accumulation shares:	£100,000
	Class I* Sterling income shares:	£100,000
<b>Minimum Holding:</b>	Class A Sterling accumulation shares:	£10,000
	Class A Sterling income shares: (save in the case of Class A Shares for investors in the Regular Savings Plan)	£10,000
	Class B* Sterling accumulation shares:	£100,000,000
	Class B* Sterling income shares:	£100,000,000
	Class I* Sterling accumulation shares:	£1,000,000
	Class I* Sterling income shares:	£1,000,000

	Class I* Sterling income shares:	£1,000,000
<b>Regular Savings Plan:</b>	Class A Sterling accumulation shares:	£50 per month
	Class A Sterling income shares:	£50 per month
<b>Minimum Partial Redemption:</b>	All Class A, Class B* and Class I* Sterling denominated share classes:	£1,000
<b>Preliminary Charge:</b>	Class A Sterling accumulation shares:	Nil
	Class A Sterling income shares:	Nil
	Class B* Sterling accumulation shares:	Nil
	Class B* Sterling income shares:	Nil
	Class I* Sterling accumulation shares:	Nil
	Class I* Sterling income shares:	Nil
<b>Annual Management Charge:</b>	Class A Sterling accumulation shares:	0.85%
	Class A Sterling income shares:	0.85%
	Class B* Sterling accumulation shares:	0.65%
	Class B* Sterling income shares:	0.65%
	Class I* Sterling accumulation shares:	0.40%
	Class I* Sterling income shares:	0.40%
<i>*Class B and Class I shares are only available to investors with the prior agreement of the ACD. The minimum investment levels may be waived at the ACD's discretion.</i>		
<b>Charges taken from income:</b>	No	
<b>Annual Accounting Period:</b>	1 June to 31 May	
<b>Interim Accounting Period(s):</b>	1 June to 30 November	
<b>Income Allocation Dates:</b>	1 June and 1 December* *Note: these are the cut-off dates for income accrued during the relevant accounting period.	
<b>Income Distribution Dates:</b>	31 July and 31 January* *Note: these are the dates on which income in respect of an accounting period is paid out (for income shares) or accumulated (for accumulation shares)	
<b>Additional power re government &amp; public securities:</b>	Not Applicable	
<b>Historic performance:</b>	See Appendix F.	
<b>Profile of typical investor:</b>	The Fund is designed for investors who plan to hold their investment for the long term. Potential investors should fully understand the additional risks associated with this particular asset class and be able to take a long term view of any investment in the Fund.  The Fund is designed for investors who: look for total return	

	<p>through capital and dividend growth; accept the risk associated with the volatile nature of equity investments; plan to hold their investment for at least five years; and favour a portfolio with defensive characteristics.</p>
<p><b>Identified Target Market:</b></p>	<p>The following section sets out the type of clients for whose needs, characteristics and objectives the Fund is compatible.</p> <p><b>Type of client:</b> Given the nature of the Fund (a non-complex UCITS fund) the Fund is targeted towards retail clients, professional clients and eligible counterparties.</p> <p><b>Knowledge and experience of client:</b> the Fund is compatible with those clients who have basic investment knowledge and experience, including knowledge of collective investment schemes and the asset classes in which the Fund may invest.</p> <p><b>Financial situation of client with a focus on the ability to bear losses:</b> As the value of the Fund can go down as well as up, the fund is compatible for investors that can bear capital losses of up to the amount invested. However, the nature of the Fund means that there would be no loss beyond the amount of capital invested.</p> <p><b>Objectives and needs of client:</b> Those clients who seek capital growth and income growth over the medium- to long-term.</p> <p><b>Clients who should not invest in the Fund (negative target market):</b> This product is deemed incompatible for investors who are:</p> <ul style="list-style-type: none"> <li>(i) seeking full or partial capital protection</li> <li>(ii) fully risk averse and have no or low tolerance for risk</li> </ul> <p><b>Distribution channels:</b> The Fund is eligible for all distribution channels (e.g. execution only, non-advised sales, advised sales and portfolio management).</p>

## Appendix E

### List of Authorised Collective Investment Schemes operated by the ACD

<b>The ACD acts as Authorised Corporate Director of the following Open-ended Investment Companies:</b>
Aptus Investment Fund
Asperior Investment Funds
DMS Investment Funds ICVC II
Heriot Investment Funds
Atlas Investment Fund
P E Managed Fund
Packel Global Fund
Purisima Investment Funds
The Abbotsford Fund
The Arbor Fund
The Broden Fund
The Circus Fund
The Davids Fund
The Navajo Fund
The New Floco Fund
The New Grande Motte Fund
The New Jaguar Fund
The OHP Fund
Trojan Investment Funds
WS Aegon Investments ICVC I
WS Aegon Investments ICVC II
WS Amati Investment Funds
WS Aoris Fund
WS AVI Worldwide Opportunities Fund
WS Bentley Investment Funds
WS Blue Whale Investment Funds
WS Boyer Global Fund
WS Brooks Macdonald Funds
WS Keyridge Asset Management (UCITS) Fund
WS Keyridge Asset Management (Non-UCITS) Fund
WS Cautela Fund
WS Doherty Funds
WS EkinsGuinness Funds
WS Fulcrum LTAF
WS General Global Investment Funds
WS Gresham House Equity Funds
WS Gresham House UK Micro Cap Fund
WS Guinness Investment Funds

WS Havelock London Investment Funds
WS IM Investment Funds
WS Investment Funds ICVC VI
WS UBP Invicta Fund
WS Lancaster Fund
WS Lightman Investment Funds
WS Lindsell Train North American Equity Fund
WS Lindsell Train UK Equity Fund
WS Nomura Investment Funds
WS Montanaro Funds
WS Morant Wright Japan Fund
WS Morant Wright Nippon Yield Fund
WS Opie Street ICVC
WS Prudential Investment Funds (1)
WS Raynar Portfolio Management Funds
WS Resilient Investment Funds
WS Robin Fund
WS Ruffer Investment Funds
WS Ruffer Managed Funds
WS Sequel Investment Funds ICVC II
WS Waverton Investment Funds
WS Zennor Investment Funds
<b>The ACD acts as Manager of the following Authorised Unit Trusts:</b>
WS Catalyst Trust
WS Adam Worldwide Fund
WS Guinness Global Energy Fund
WS Greenmount Fund
WS UBP Ramogan Trust
WS New Villture Fund
WS Prudential Pacific Markets Trust
WS Stewart Ivory Investment Markets Fund
WS T. Bailey Global Thematic Equity Fund
WS T. Bailey Multi-Asset Dynamic Fund
WS T. Bailey Multi-Asset Growth Fund
WS T. Bailey UK Responsibly Invested Equity Fund
WS Waverton Charity Fund
<b>The ACD acts as Manager of the following Authorised Contractual Schemes:</b>
The WS ACCESS Pool Authorised Contractual Scheme
WS Canada Life Investments Authorised Contractual Scheme
WS Robeco ACS Umbrella Fund
WS Wales Pension Partnership (Wales PP) Asset Pooling ACS Umbrella

## Appendix F

### Historic Performance

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future returns.

Please note that all performance information is at 31 December 2025. For more up-to-date performance information, please contact the ACD.

#### Heriot Global Fund

	Fund
	Heriot Global Fund
<b>Year</b>	%
<b>2025</b>	4.5
<b>2024</b>	10.6
<b>2023</b>	13.2
<b>2022</b>	(12.9)
<b>2021</b>	23.5
<b>2020</b>	16.7
<b>2019</b>	26.7
<b>2018</b>	(0.7)
<b>2017</b>	15.9
<b>2016</b>	23.6
<b>2015</b>	0.1

Percentage annual performance, A accumulation shares, (total return), based on FE data.

#### Heriot Global Smaller Companies Fund<sup>12</sup>

	Fund
	Heriot Global Smaller Companies Fund*
<b>Year</b>	%

<sup>12</sup> Please note that this Fund is no longer available for investment.

2025	(4.1)
<b>2024</b>	4.9
<b>2023</b>	6.8
<b>2022</b>	(22.6)

Percentage annual performance, A accumulation shares, (total return), based on FE data.

\* This Fund launched on 27 September 2021 and therefore no historic past performance is available.

## Appendix G

### List of Sub-Custodians

The Global Sub-Custodians may delegate the custody of assets to the following Sub-Custodians:

<b>Country/Market</b>	<b>Sub-Custodian</b>	<b>Address</b>
<b>Argentina</b>	The Branch of Citibank, N.A. in the Republic of, Argentina	Ciudad de Buenos Aires
<b>Australia</b>	Citigroup Pty Limited	Melbourne
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Austria</b>	UniCredit Bank Austria AG	Vienna
<b>Bahrain</b>	HSBC Bank Middle East Limited	Kingdom of Bahrain
<b>Bangladesh</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Belgium</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Bermuda</b>	HSBC Bank Bermuda Limited	Hamilton
<b>Botswana</b>	Stanbic Bank Botswana Limited	Gaborone
<b>Brazil</b>	Citibank N.A., Brazil	Sao Paulo
<b>Brazil</b>	Banco Santander (Brasil) S.A.	Sao Paulo
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	Sofia
<b>Canada</b>	CIBC Mellon Trust Company (CIBC Mellon)	Toronto
<b>Cayman Islands</b>	The Bank of New York Mellon	New York
<b>Channel Islands</b>	The Bank of New York Mellon	New York
<b>Chile</b>	Banco Santander Chile	Santiago
<b>China</b>	HSBC Bank (China) Company Limited	Shanghai
<b>China</b>	Bank of China Limited	Beijing
<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria	Bogota
<b>Costa Rica</b>	Banco Nacional de Costa Rica	San José
<b>Croatia</b>	Privredna banka Zagreb d.d.	Zagreb
<b>Cyprus</b>	Citibank Europe Plc, Greece Branch	Athens
<b>Czech Republic</b>	Citibank Europe plc, organizacni slozka	Prague
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>Denmark</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Egypt</b>	HSBC Bank Egypt S.A.E.	Cairo
<b>Estonia</b>	SEB Pank AS	Tallinn
<b>Estonia</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt

<b>Euromarket</b>	Clearstream Banking S.A.	Luxembourg
<b>Euromarket</b>	Euroclear Bank SA/NV	Brussels
<b>Finland</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>France</b>	BNP Paribas SA	Paris
<b>France</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Germany</b>	The Bank of New York Mellon SA/NV	Frankfurt
<b>Ghana</b>	Stanbic Bank Ghana Limited	Accra
<b>Greece</b>	Citibank Europe Plc, Greece Branch	Athens
<b>Hong Kong</b>	Citibank N.A. Hong Kong	Hong Kong
<b>Hong Kong</b>	Deutsche Bank AG	Hong Kong
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Hungary</b>	Citibank Europe plc. Hungarian Branch Office	Budapest
<b>Iceland</b>	Landsbankinn hf.	Reykjavik
<b>India</b>	Standard Chartered Bank, India Branch	Mumbai
<b>India</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Indonesia</b>	Standard Chartered Bank, Indonesia Branch (SCB)	Jakarta
<b>Ireland</b>	The Bank of New York Mellon	New York
<b>Israel</b>	Bank Hapoalim B.M.	Tel Aviv
<b>Italy</b>	The Bank of New York Mellon SA/NV	Brussels
<b>Japan</b>	Mizuho Bank, Ltd.	Tokyo
<b>Japan</b>	MUFG Bank, Ltd.	Tokyo
<b>Jordan</b>	Bank of Jordan	Amman
<b>Kazakhstan</b>	Citibank Kazakhstan Joint-Stock Company	Almaty
<b>Kenya</b>	Stanbic Bank Kenya Limited	Nairobi
<b>Kuwait</b>	HSBC Bank Middle East Limited, Kuwait	Safat
<b>Latvia</b>	AS SEB banka	Kekavas novads
<b>Latvia</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
<b>Lithuania</b>	AB SEB bankas	Vilnius
<b>Lithuania</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
<b>Luxembourg</b>	Euroclear Bank SA/NV	Brussels
<b>Malawi</b>	Standard Bank PLC	Lilongwe
<b>Malaysia</b>	Standard Chartered Bank Malaysia Berhad (SCB)	Kuala Lumpur
<b>Malta</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt

<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	Ebene
<b>Mexico</b>	Banco Citi México, S.A. Institución de Banca Múltiple, Grupo Financiero Citi México	Ciudad de Mexico
<b>Mexico</b>	Banco S3 CACEIS Mexico, S.A., Institución de Banca Multiple	Ciudad de Mexico
<b>Morocco</b>	Citibank Maghreb S.A.	Casablanca
<b>Namibia</b>	Standard Bank Namibia Limited	Kleine Kuppe, Windhoek
<b>Netherlands</b>	The Bank of New York Mellon SA/NV	Brussels
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	Auckland
<b>Nigeria</b>	Stanbic IBTC Bank Plc.	Lagos
<b>Norway</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>Oman</b>	Standard Chartered Bank Oman branch	Ruwi
<b>Pakistan</b>	Deutsche Bank AG	Karachi
<b>Panama</b>	Citibank N.A., Panama Branch	Panama City
<b>Peru</b>	Citibank del Peru S.A.	Lima
<b>Philippines</b>	Standard Chartered Bank, Philippines Branch	Makati City
<b>Poland</b>	Bank Polska Kasa Opieki S.A.	Warszawa
<b>Portugal</b>	Citibank Europe Plc	Dublin
<b>Qatar</b>	Qatar National Bank	Doha
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Romania</b>	Citibank Europe plc Dublin, Romania Branch	Bucharest
<b>Russia</b>	AO Citibank	Moscow
<b>Russia</b>	PJSC ROSBANK	Moscow
<b>Saudi Arabia</b>	HSBC Saudi Arabia	Riyadh
<b>Serbia</b>	UniCredit Bank Serbia JSC	Belgrade
<b>Singapore</b>	DBS Bank Ltd	Singapore
<b>Singapore</b>	Standard Chartered Bank (Singapore) Limited	Singapore
<b>Slovak Republic</b>	Citibank Europe plc, pobočka zahraničnej banky	Bratislava
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	Ljubljana
<b>South Africa</b>	Standard Chartered Bank, Johannesburg Branch	Sandton
<b>South Africa</b>	The Standard Bank of South Africa Limited	Johannesburg
<b>South Korea</b>	Standard Chartered Bank Korea Limited (SCB)	Seoul
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch	Seoul
<b>Spain</b>	Banco Bilbao Vizcaya Argentaria, S.A.	Bilbao
<b>Spain</b>	CACEIS Bank Spain, S.A.U.	Madrid

<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
<b>Switzerland</b>	BNP Paribas	Zurich
<b>Taiwan</b>	HSBC Bank (Taiwan) Limited	Taipei City
<b>Tanzania</b>	Stanbic Bank Tanzania Limited	Dar es Salaam
<b>Thailand</b>	The Hongkong and Shanghai Banking Corporation Limited	Bangkok
<b>Tunisia</b>	Union Internationale de Banques	Tunis
<b>Turkey</b>	Deutsche Bank A.S.	Istanbul
<b>U.A.E.</b>	HSBC Bank Middle East Limited (HBME)	Dubai
<b>U.K.</b>	The Bank of New York Mellon	New York
<b>U.S.A.</b>	The Bank of New York Mellon	New York
<b>U.S.A. Precious Metals</b>	HSBC Bank, USA, N.A.	New York
<b>Uganda</b>	Stanbic Bank Uganda Limited	Kampala
<b>Ukraine</b>	JSC "Citibank" Full name Joint Stock Company "Citibank"	Kiev
<b>Uruguay</b>	Banco Itaú Uruguay S.A.	Montevideo
<b>Vietnam</b>	HSBC Bank (Vietnam) Ltd	Ho Chi Minh City
<b>WAEMU</b>	Société Générale Côte d'Ivoire	Abidjan
<b>Zambia</b>	Stanbic Bank Zambia Limited	Lusaka
<b>Zimbabwe</b>	Stanbic Bank Zimbabwe Limited	Harare

Note: Benin, Burkina-Faso, Guinea Bissau, Ivory Coast, Mali, Niger, Senegal and Togo are members of the West African Economic and Monetary Union (WAEMU).